ESTIMATES

Fisheries and Oceans

Performance Report

For the period ending
March 31, 1998

Canada

Improved Reporting to Parliament
Pilot Document

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities.*

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report.*

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

This year, the Fall Performance Package is comprised of 80 Departmental Performance Reports and the government's "*Managing For Results*" report.

This ***Departmental Performance Report,*** covering the period ending March 31, 1998, provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's *Part III of the Main Estimates* or pilot *Report on Plans and Priorities* for 1997-98. The key result commitments for all departments and agencies are also included in *Managing for Results.*

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government

The government continues to refine and develop both managing for and reporting of results. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site: http://www.tbs-sct.gc.ca/tb/key.html

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Fisheries and Oceans

Departmental Performance Report

For the period ending March 31, 1998

Hon. David Anderson

Minister of Fisheries and Oceans

My Ocean Charter

I Agree

The oceans and the creatures therein are a necessary part of life on this planet.

Maintaining the health of the oceans and the abundance of its fisheries, together with the wise and safe use of all its resources, must be accepted and honoured by governments so that future generations can enjoy the continuing benefit for all peoples.

Understanding the marine environment and its living community, is necessary for the stewardship of the oceans and the seas and for the making of decisions to protect and husband its resources.

We need to work together to succeed — within countries, people can influence ocean policies if they act together — internationally, countries should help their neighbours and accept regional policies and actions — countries having the knowledge and resources should assist less fortunate nations — data and information on the oceans should be readily exchanged — international and intergovernmental organizations should be used to generate global programmes and agreements.

I Promise

to remember My Ocean Charter, in my treatment of the oceans and the waters that flow into the ocean, in my work and in my play and in the decisions that I make.

International Year of the Ocean, 1998

Signature _____ *Date* _____

Country _____

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Executive Summary

Executive Summary

Canada's fisheries and oceans hold many opportunities for Canadians. With proper stewardship, these resources can be strengthened and, where appropriate, stabilized and recovered, so that these opportunities continue to be available for future generations.

The Department of Fisheries and Oceans (DFO) is responsible for the following:

- policies and programs in support of Canada's economic, ecological and scientific interests in the oceans and freshwater fish habitat;
- the conservation and sustained utilization of Canada's fisheries resources in marine and inland waters; and
- safe, efficient and environmentally sound marine service responsive to the needs of Canadians in a global economy.

Long-term Goals

We are committed to five long-term goals, which are summarized here and further described in section 2.4 of the report:

- to manage and protect fisheries resources;
- to manage and protect the marine and freshwater environment;
- to understand the oceans and aquatic resources;
- to maintain maritime safety; and
- to facilitate maritime trade, commerce and ocean development.

Challenges

The challenges in delivering on the long-term goals are significant. These include

- ensuring conservation and sustainable utilization in Canada's fisheries by addressing conservation risks;
- providing a reliable scientific basis for DFO policies and programs;
- implementing policies and programs to aid the development of marine conservation and protection of aquatic resources and their habitat;
- adapting our services in order to minimize the incidence and impact of accidents;
- seeking more collaborative relationships to ensure that service levels remain fair, cost effective and client focused;
- achieving the proper mix and number of delivery platforms; and
- developing a reinvestment strategy and long-term plan that will address deterioration problems in major asset categories.

These challenges are described in more detail in section 2.5.1 of the report.

Performance Commitments

DFO's performance commitments are to provide Canadians with

- conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment; and
- safe, efficient and accessible waterways and harbours.

In delivering on these, our ultimate goal is to demonstrate this performance in accordance with the commitments contained on page 8 of this report. For example, within Icebreaking Operations, client satisfaction is being measured with over 90% indicating that they are very satisfied with the service provided. While progress has been made in measuring our performance, we recognize that further improvement is necessary.

Performance Accomplishments

In the area of **conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment**, the Department has a number of major accomplishments, including the following:

- involving participants from outside the Department in the stock-assessment activities for understanding and accepting research results and scientific advice underpinning ministerial decisions;
- contributing scientific knowledge on the biological effects of chemical contaminants in the Canadian environment, as part of our international commitment to control the release of toxic substances;
- signing 22 new co-operative management agreements in which the parties agreed to work co-operatively towards conservation and sustainable resource use objectives;
- implementing co-management of the fishery resource under nine land claims agreements.

Lobster, a successful fishery

With respect to **safe, efficient and accessible waterways and harbours**, the Department's major accomplishments include the following:

- transfer of the cost of dredging activities in commercial channels across Canada (except for the Great Lakes interconnecting waterways) to those that benefit from the service;
- continued amalgamation of radio stations and Vessel Traffic Services Centres;
- adoption of the Automated Identification System for ships, which is expected to result in reduced pollution risks and lower traffic management costs;
- establishment of a joint industry/Canadian Coast Guard (CCG) Ice Route Assistance Fee Structure Subcommittee to recommend a structure for the icebreaking component of the Marine Service Fee;
- acceleration of the production of electronic navigation charts based on newly adopted international standards;
- development of options for a conceptual framework for a Marine Chemical Emergency Response Regime; and
- continued transfer to municipalities of recreational and inactive fishing sites.

Performance Commitments

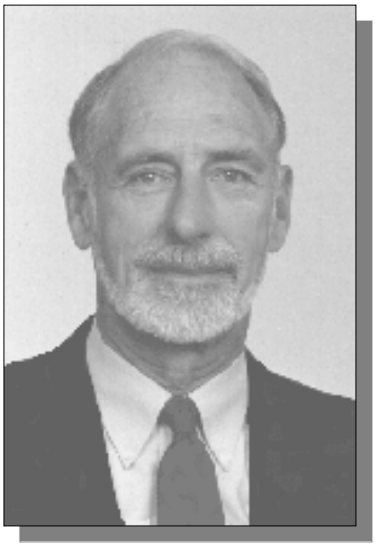
Performance Commitments

To Provide Canadians With	To Be Demonstrated By	Reported In
conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment	• state of fish stocks both within and adjacent to Canada's 200-mile zone	• Sections 2.5.1, 3.2.8
	• sustainable harvesting practices within the industry	• Sections 2.5.1, 3.2.8
	• the protection of fish stocks through an integrated monitoring and enforcement program	• Section 3.2.8
	• use and impacts of co-management agreements	• Section 3.2.8
	• integrated habitat management	• Sections 2.5.1, 3.2.6
	• scientific understanding of aquatic flora and fauna	• Sections 2.5.1, 3.2.5
	• technology transfer from aquaculture research projects to industry	• Section 3.2.5
	• scientific understanding of ocean and coastal waters and of aquatic ecosystems	• Sections 2.5.1, 3.2.5
	• reliable scientific information	• Section 3.2.5
	• healthy and productive aquatic ecosystems	• Sections 2.5.1, 3.2.6
	• preparedness for national emergencies	• Section 3.2.4
	• response to marine oil emergencies	• Section 3.2.4
	• responsible operational and environmental stewardship of marine resources and infrastructure by DFO employees, partners and public users	• Sections 2.4, 2.5
	• socio-economic benefits to marine-based industries and rural/coastal communities	• Section 3.2.9
	• preservation of property from ice build-up	• Section 3.2.4
	• client satisfaction	• Section 3.2.8
	• public awareness of programs and policies	• Sections 3.2.5, 3.2.6, 3.2.8
	• a risk-management approach to resource and habitat management based on sound science and conservation	• Sections 3.2.5, 3.2.8
	• client participation	• Section 3.2.8
safe, efficient and accessible waterways and harbours	• a comprehensive, efficient, timely and responsive marine communications and traffic services network	• Section 3.2.2
	• safe and efficient movement of marine traffic through ice-covered waters	• Section 3.2.3
	• annual deliveries by ship to northern settlements and military sites	• Section 3.2.3
	• scientific understanding and public access to hydrographic information	• Section 3.2.7
	• quality of hydrographic information	• Section 3.2.7
	• economic and operational benefits through marine trade and commerce	• Sections 3.2.1, 3.2.2, 3.2.3
	• response to marine search-and-rescue incidents	• Sections 3.2.4, 3.2.10
	• harbours critical to the fishing industry open and in good repair	• Section 3.2.9
	• participation of users in harbour management and cost	• Section 3.2.9
	• client satisfaction	• Sections 3.2.1, 3.2.3, 3.2.9
	• public awareness of programs and policies	• Sections 3.2.1, 3.2.2, 3.2.3, 3.2.4, 3.2.7, 3.2.9
	• client participation	• Sections 3.2.1, 3.2.3, 3.2.9

Section 1

The Minister's Message

1 The Minister's Message



Hon. David Anderson

For the Department of Fisheries and Oceans, fiscal year 1997-98 was a period of profound change. That change, reflected in the pages that follow, furthered the government's agenda to promote conservation, achieve sustainable development and get government right.

With regard to conservation, we committed to managing our marine and freshwater resources and ecosystems responsibly and sustainably. This entailed balancing conservation and protection of our environment with the provision of long-term economic opportunities for Canadians.

The central idea of sustainable development is that we cannot compromise the ability of future generations to enjoy and use our resources as the current generation enjoys and uses them. Sustainable development continues to be a top priority of the Department in all of our fisheries management plans. We have learned from the collapse of the Atlantic groundfish stocks. Fisheries management now is carried out on a precautionary basis, erring on the side of the fish. We have expanded the role of fishers and other stakeholders in developing fisheries management plans.

We have also invited the input of Canadians to the development of Canada's Oceans Strategy. The unprecedented growth in oceans activity of the past 25 years has resulted in congestion, environmental degradation and ecosystem imbalances that threaten the basis for future sustainable growth. One goal of our oceans strategy is to replace the current fragmented approach to oceans management with a collaborative integrated approach. We intend to act now to develop plans for the proper use of our oceans.

In these and other ways, we are promoting sustainable development, getting government right through internal changes and increased roles for clients, and working to promote the well-being of our oceans industries.

Our internal changes are intended to foster more effective and collaborative use of departmental resources and to improve service to clients. The Department is also committed to be an environmental leader, meeting or exceeding standards set in all federal environmental statutes and regulations.

All of our changes, whether internal or in our relations with persons outside the Department, normally follow extensive consultations with clients and other stakeholders.

Thus, we are fulfilling our departmental mission: 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.

In so doing, we are benefiting Canadians, not only for today but also for the days and years that follow.

We have had extraordinary opportunities to assist Canadians in two natural disasters, the Manitoba flood and the Ontario-Quebec ice storm. During the Ontario-Quebec ice storm, DFO people in the Central and Arctic Region pumped out flooded basements; accommodated displaced families on a CCG vessel, *The Simcoe*; provided generators to farms to supply needed hydro power; cleared fallen trees and brush so hydro workers could reach damaged trees; cleared streets of ice and broken utility poles; lent trucks to local utilities to respond to emergencies; lent a DFO helicopter to the Province of Ontario Emergency Measures Organization; and chained DFO buoy anchors to utility poles to prevent hydro lines from falling. Laurentian Region DFO people provided similar services and also, at the request of provincial authorities, used the hovercraft Waban-Aki as an icebreaker on the Chateauguay River to prevent flooding. Equipment was shipped from other DFO regions.

Ontario-Quebec ice storm

Manitoba flood

I am also gratified by the success of the OceansTec Canada trade mission aboard the Louis S. St-Laurent. The mission displayed goods and services offered by Canada's ocean industries at five European ports, and at its final stop, Lisbon, served as an ocean-going complement to the Canadian pavilion at Expo '98. The mission was a textbook example of what can be accomplished through co-operation among departments of the federal government.

What we have accomplished would have been impossible without the contribution of our employees, 90% of whom work in the Regions. Thanks to their industry, skills and dedication, the Department is well positioned to meet the challenges of the future.

Section 2

Departmental Overview

2 Departmental Overview

2.1 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;
- the conservation and sustained utilization of Canada's fisheries resources in marine and inland waters; and
- 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.

2.2 Vision and Mission

The departmental vision is to

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

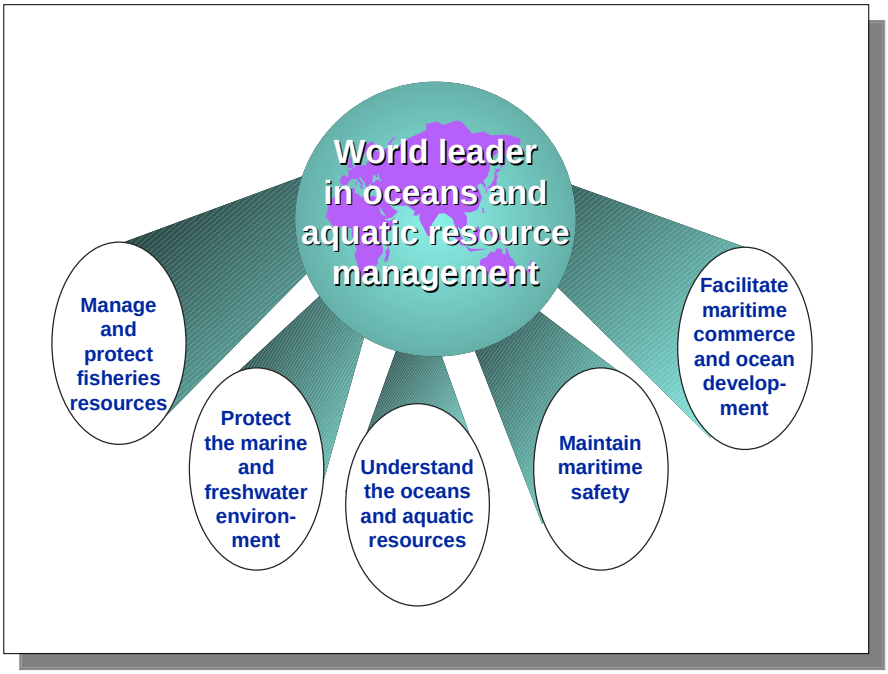
The departmental mission is to

- 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.

2.3 Objectives

The objectives of the Department are to

- undertake policies and programs in support of Canada's economic, ecological and scientific interests in the oceans and inland waters;
- provide for the conservation, development and sustained economic utilization of Canada's fisheries resources in marine and inland waters for those who derive their livelihood or benefit from these resources;
- provide safe, effective and environmentally sound marine services responsive to the needs of Canadians in a global economy; and
- co-ordinate the policies and procedures of the Government of Canada respecting oceans.



2.4 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 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 long-term objectives, DFO is committed to

1) striving to continuously improve relations with its clients, involving clients more effectively in key decision-making processes, information sharing and program-delivery mechanisms; and

2) making managers accountable for promoting an environment that provides clear direction and fosters mutual respect, team work and professionalism, while delivering quality service to clients; and in which all employees share responsibility for the renewal of the Department and for the development of their own careers.

2.5 Operating Environment

DFO is a relatively large, decentralized, federal department that delivers services throughout Canada from five regional offices and from national headquarters in Ottawa. DFO's mandate, programs and services affect the livelihood of thousands of people in a wide range of occupations in marine transportation, tourism and recreation, fishing and other oceans and freshwater industries throughout Canada. DFO is also responsible for Canada's participation in several international fisheries agreements including the Northwest Atlantic Fisheries Organization, involving negotiations with the European Union, and on the Pacific coast, Pacific Salmon Treaty negotiations with the United States.

In April 1995 DFO doubled in size and budget, as a result of the merger with the Canadian Coast Guard (CCG). Like other federal departments, DFO has undergone significant fiscal restraints in recent years. Net spending for DFO will have dropped from $1.4 billion in 1994-95 to $1.1 billion in 1998-99, and the workforce will have been reduced from 11,694 employees to 8,569.

Did You Know?

- Canada has the world's longest coastline and the second largest continental shelf. Stretched out as a single continuous line, Canada's coastline would encircle the Earth more than six times.
- Eight of Canada's ten provinces and all of its northern territories are coastal, as are many of its major cities. Approximately 23% of Canadians live in coastal communities.

Source: DFO Science, *A Guide to Integrated Coastal Zone Management in Canada*.

Reductions in both program spending and personnel have encouraged the development of important new relationships between the Department, provinces, territories and stakeholders. At the same time, the public is demanding input into the decision-making process to ensure the Department maintains a high level of service. With an extensive network of federal installations, vessels, staff and research facilities across the country, DFO's ability to work effectively with others is key to its success.

In recent months, for example, DFO has worked closely with Human Resources Development Canada, Western Economic Diversification, and the Atlantic Canada Opportunities Agency to develop and implement the National Fisheries Adjustment and Restructuring initiatives. DFO, in collaboration with the other agencies, will co-deliver the package. In addition, with the coming into force in 1997 of the *Oceans Act*, which rests the responsibility to lead the development and implementation of Canada's Oceans Strategy on DFO's shoulders, the Department will work with 22 other federal institutions involved in oceans in order to achieve this goal.

Across Canada, the Minister and the Department are committed to discussing and promoting innovative ways to share stewardship and strengthen relationships with stakeholders. Several examples where advisory bodies contribute to sustainable resource management and quality marine services are: the Fisheries Resource Conservation Council on the Atlantic coast; the Canada-British Columbia Agreement on the Management of Pacific Salmon Fishery Issues; the Canadian Marine Advisory Committee; and the National Recreational Boating Advisory Committee.

2.5.1 Challenges

Fisheries Management

DFO's fisheries management faces the challenge of ensuring conservation and sustainable utilization in Canada's fisheries by addressing conservation risks related to overfishing, non-selective catches, dumping and discarding, use of improper harvesting methods and illegal fishing. Two exceptional challenges currently being addressed are the collapse of groundfish stocks in the Atlantic and decline of some stocks and eroding economic viability in the Pacific salmon fishery. In June 1998, DFO, in collaboration with Human Resources Development Canada, the Atlantic Canada Opportunities Agency and Western Economic Diversification, announced fisheries adjustment and restructuring measures for both the East and West coasts.

Science and Habitat Management

The Department's scientific challenge is to provide a reliable scientific basis for sound stock assessments, conservation of marine resources and anadromous fishery resources (anadromous fish are fish that spawn in freshwater and migrate to saltwater to feed and mature), marine environment and habitat protection, and safe navigation, while dealing with uncertainty, incorporating sound scientific advice, adopting a risk-averse approach, explaining our science in clear, transparent ways, and building the understanding and confidence of clients.

Oceans Management

The *Oceans Act* (1997) mandates DFO as the lead department for the implementation of a national strategy for oceans management. Many of Canada's marine ecosystems are threatened by increasing and competing demands for resources, as well as unrelated human developments on land and in the water. The challenge is to co-ordinate and influence the implementation of policies and programs to aid the development of marine conservation and protection, including Marine Protected Areas, Marine Environmental Quality Guidelines and Integrated Management in the Coastal Zone.

Marine Safety Management

New trends, technologies and practices are emerging in the marine community, reflecting increases in the adult boating population, cruise ship traffic and personal watercraft, as well as the tendency for fishers to operate farther offshore. The challenge for the Department is to adapt its services, both preventative and responsive, in order to address these trends and minimize the incidence and impact of accidents.

Maritime Commercial Management

DFO is seeking more collaborative relationships with clients and co-deliverers of marine services to ensure that service levels remain fair, cost-effective, dependable and focused on client needs in an environment of change resulting from factors that include the liberalization of international trade and evolving standards for international navigation. The challenge is to balance the cost of activities with service levels and fees.

Fleet Management

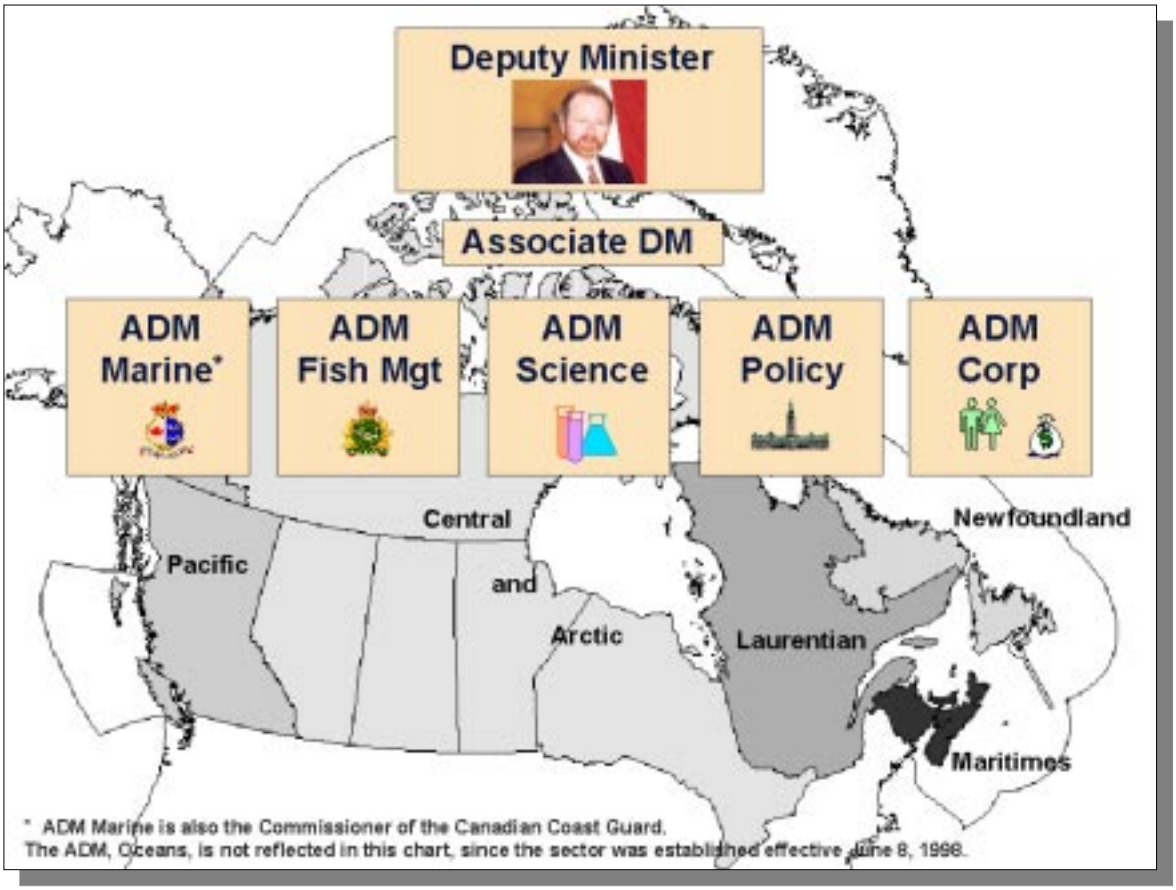
DFO's fleet is essential in the delivery of the Department's programs and services. The challenge is to effectively multi-task vessels to carry out search-and-rescue, scientific, and conservation and protection missions and to support other government departments when required.

Reinvestment in Capital Assets and Infrastructure

The challenge is to develop a capital reinvestment strategy and long-term capital plan that will address deterioration in the Department's major asset categories: vessels, harbour infrastructure and other facilities essential for ongoing program delivery.

2.6 Business Lines and Organization Composition

The Assistant Deputy Ministers (ADMs) 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) who reports to the Deputy Minister. The RDGs are responsible for 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	Manage and protect fisheries resources	Protect marine and freshwater environment	Understand oceans and aquatic resources	Maintain maritime safety	Facilitate maritime commerce and ocean development	Improve client relations	Improve employees' work environment	Accountable Manager
Marine Navigation Services		✓		✓	✓	✓	✓	ADM, Marine/ Commissioner, CCG
Marine Communications and Traffic Services		✓		✓	✓	✓	✓	
Icebreaking Operations		✓		✓	✓	✓	✓	
Rescue, Safety and Environmental Response		✓		✓	✓	✓	✓	
Fleet Management	✓	✓	✓	✓	✓	✓	✓	
Fisheries and Oceans Science	✓	✓	✓	✓	✓	✓	✓	ADM, Science
Habitat Management and Environmental Science	✓	✓	✓		✓	✓	✓	
Hydrography			✓	✓	✓	✓	✓	
Fisheries Management	✓	✓			✓	✓	✓	ADM, Fisheries Management*
Harbours		✓		✓	✓	✓	✓	ADM, Corporate Services
Policy and Internal Services	✓	✓	✓	✓	✓	✓	✓	ADM, Corporate Services ADM, Policy

Note: The ADM, Oceans, is not reflected in this table, since the sector was established effective June 8, 1998.

* Within Fisheries Management, accountability for special capacity-reduction programs rests with ADM Policy.

Section 3

Departmental Performance

3 Departmental Performance

3.1 Performance Accomplishments

During 1997-98, the Department of Fisheries and Oceans (DFO) continued to improve performance measurement. Senior management supports a performance measurement strategy that promotes a top-down approach: from high-level corporate measures to business and service line measures, and eventually, key operational measures. The strategy comprises developing performance frameworks that include impact measures and using performance information in resource allocation and other key program decisions. Many groups in the Department have undertaken to develop performance measurement frameworks, and efforts in this direction are continuing.

The past two years also saw more staff support for implementing performance measurement. A focus of this support is DFO's Performance Management Forum, an employee-initiated-and-directed network of staff at headquarters and in the regions, who regularly share information on performance issues and innovations.

While good progress has been made, much remains to be done. DFO recognizes that it will take several years to fully implement a comprehensive performance measurement system. Performance frameworks have been developed at the corporate and business line levels. A major challenge for the Department will be to ensure that there are appropriate measures for all key impacts on Canadians and that valid and reliable data are available at reasonable cost.

3.1.1 Departmental Performance: Long-term Priorities and Goals

The measures in this section address DFO's long-term priorities and goals as reflected in the commitments table on page 8. Performance at this high level is strongly influenced by factors outside the control of DFO, such as weather conditions, industry behaviour, market prices, and the actions of other departments and other levels of government. Attribution of performance to departmental actions alone is difficult, since other players are involved. Nevertheless, high-level performance measures provide the public and Parliamentarians with an important perspective on trends that are central to DFO's mandate.

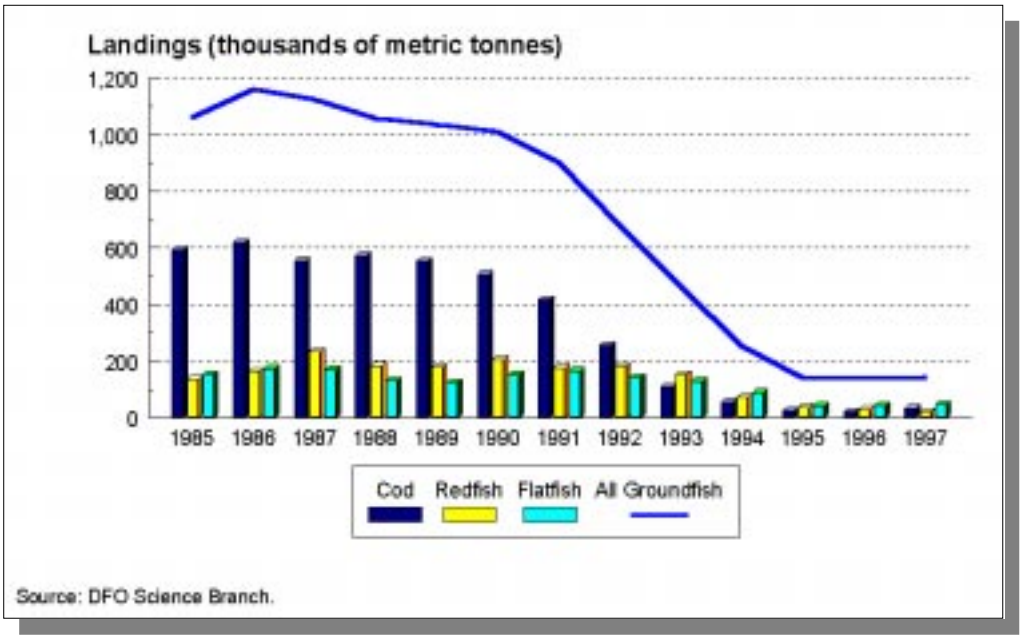
The measures presented here are only a few of the many departmental measures that DFO has developed for each priority. The choice of measures for this report was limited by space and data availability.

Commitment: Conservation and Biological Sustainability of Fisheries Resources, Marine and Freshwater Habitats and a Protected Environment

In the long term, DFO's resource management and protection activities should have an impact on stock status and the economic viability of the fishing industry. However, it is recognized that both stock status and economic viability are strongly influenced by factors beyond the control of the Department.

Figure 1 shows total landings for groundfish in the Northwest Atlantic from 1985 to 1997. Cod data include landings from Georges Bank, in the south, to Labrador in the north. Flatfish data include landings of American plaice, witch flounder, yellowtail flounder, winter flounder, Greenland halibut and Atlantic halibut. Data on "all groundfish" provide an overview of landings for cod, redfish, flatfish, haddock, pollock, silver hake, white hake, grenadiers and argentine. DFO will continue to report on these important indicators in future performance reports.

Figure 1: Groundfish Landings in the Northwest Atlantic, 1985-97



One indicator of the economic viability of the fishery is landed value, shown in Figure 2 and Figure 3. Although there have been moratoria on groundfish fisheries in Atlantic Canada since 1992, the value of landings in Canada's sea fisheries has remained high because of the values associated with the shellfish fisheries. Record landings were reported in 1994 and 1995, with values over $1.7 billion each year. The unprecedented value of snow crab landings in Atlantic Canada contributed considerably to the overall record values. Although the value of landings fell off in 1996 as a direct result of lower prices for snow crab, the total of $1.54 billion was still on a par with the previous record year of 1987, when $1.57 billion was landed. Data for 1997 are not yet available.

Figure 2: Landed Value of Commercial Fisheries, 1991-96

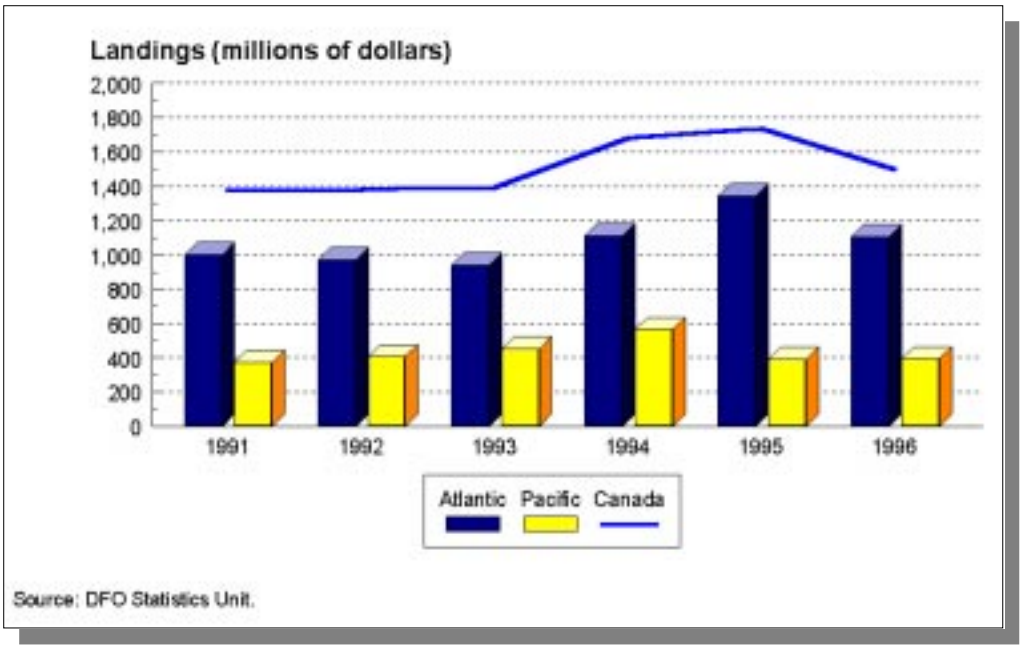
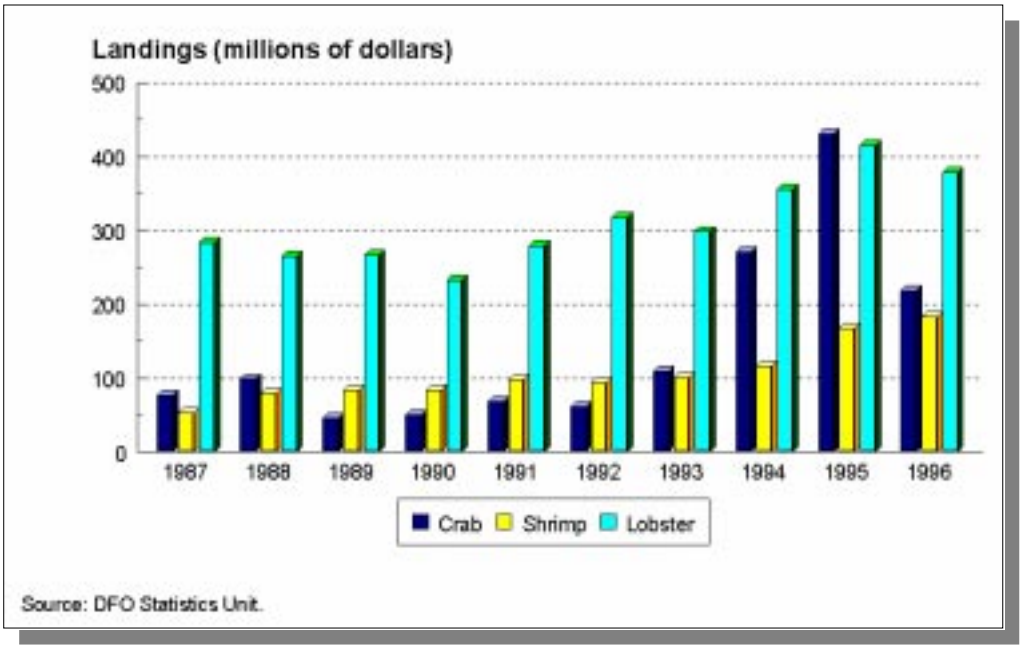


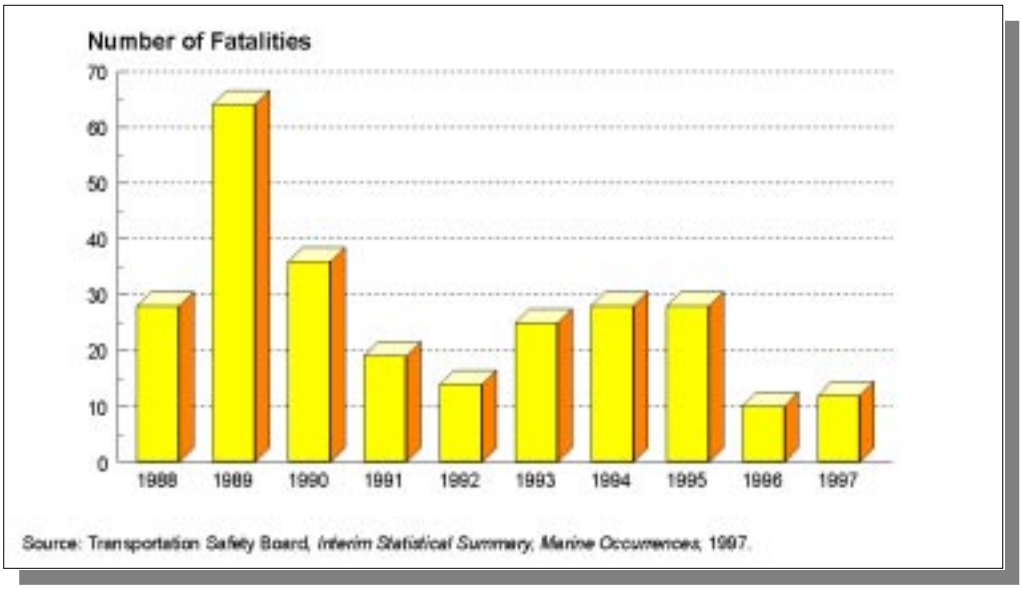
Figure 3: Landed Value of Canada's Principal Shellfish Species, 1987-96



Commitment: Safe, Efficient and Accessible Waterways and Harbours

Figure 4 presents the number of commercial shipping fatalities that occurred in Canadian waters from 1988 to 1997. There was a marked decrease in fatalities over this period, although there was a small increase in 1997. Some of this decrease can be attributed to reductions in fishing activity and overall shipping movements. Nevertheless, these data provide a good indicator of the safety of the environment in which CCG (and other marine agencies) deliver services. Figures for 1997 are preliminary.

Figure 4: Commercial Shipping Fatalities, 1988-97



3.2 Performance Accomplishments by Business Line

Please note the following about the information presented in this section:

- **Service standards**. DFO's senior management has encouraged all business and service lines to develop key service standards that emphasize a commitment to providing quality services to their clients. Consequently, service standards have been or are in the process of being developed and monitored. Service standards typically have five essential elements: descriptions of service, service pledges, delivery targets, costs and complaint redress mechanisms. They are more than service delivery targets such as waiting times and hours of operation.
- **Financial information**. The summary financial information presented at the beginning of each business line includes three figures. These figures are intended to show the following:
  - the plan at the beginning of the year as reported in the 1997-98 Report on Plans and Priorities;
  - the level of spending approved by Parliament reflecting priority changes and technical adjustments (Total Authorities); and
  - actual 1997-98 expenditures as reported in the Public Accounts (1997-98 Actual Expenditures).

3.2.1 Marine Navigation Services

Planned Spending (1997-98 RPP)	**$110.4 million**
Total Authorities (Public Accounts)	**$136.5 million**
1997-98 Actual Expenditures	**$140.8 million**

DFO sought additional funding through Supplementary Estimates to make a payment to the Fraser River Harbour Commission and to reflect workforce adjustment costs. Actual expenditures were higher than expected because of the allocation of costs among DFO's business lines.

Commitment to Canadians

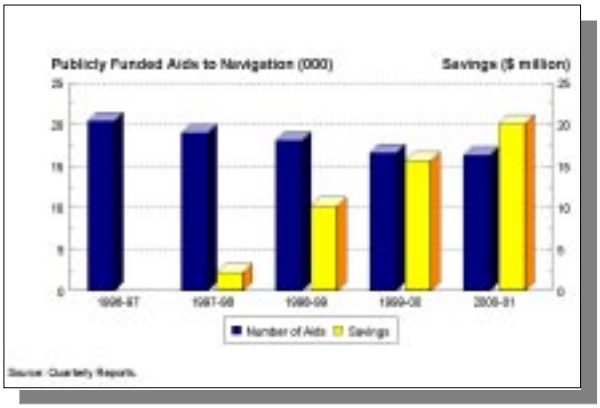
Safe, efficient and accessible waterways. Marine Navigation Services' aids to navigation assist mariners in determining their position in relation to land and hidden dangers.

Impact on Canadians

- DFO is accelerating the modernization of aids to navigation in order to address the needs of the modern mariner and face today's financial challenges.
  - The Differential Global Positioning System will reduce the reliance on conventional aids by enabling mariners to identify their precise position in most major southern Canadian waters, including the Great Lakes and the St. Lawrence River. The initial operating service is in place, but because of software development delays, the operational service is delayed until early 1999.
  - Automation and destaffing of lightstations and alternative service delivery options resulted in reduced cost of aids to navigation services everywhere in Canada but British Columbia and possibly Newfoundland, where destaffing has been discontinued.

Did You Know?
The Manitoba flood created a new set of challenges for staff, most of whom had never worked in this type of situation before. A serious problem at the start was trying to navigate safely without charts. Road maps were often not helpful, as the road signs were often submerged. A solution was found by using an agricultural database to provide latitude and longitude for buildings, grain silos, etc. Crews could easily locate themselves in the floodwaters by using the database along with their handheld Global Positioning System units.
Source: DFO CCG, *Echo*, July-August 1997.

- As of 1997-98, Canadian taxpayers will benefit from an anticipated savings of $17 million as a result of the implementation of the CCG program review, which included the discontinuance of funding to dredging activities in commercial channels across Canada, except for the Great Lakes interconnecting waterways. The cost will be now be borne by the beneficiaries.



- The modernization of the *Navigable Waters Protection Act* will simplify the process of removing obstructions to navigation and improve our ability to provide our clients with a more efficient and faster service.

Service Standards

Monitoring adherence to Levels of Service Standards for the safety, design and review of short-range aids to navigation began in 1989. As a result, in 1997-98, approximately 80% of the planned levels of service reviews were completed according to the new standards. In consultation with local users, some aids to navigation are being downsized, privatized or discontinued to reflect a more efficient and effective system.

Planned Program Improvements

In partnership with users and other responsible organizations, Marine Navigation Services will continue to promote a safe and affordable marine navigation service by adjusting current service to meet users' needs and by protecting the marine environment. This will be achieved through consultation with user groups, implementation of new technology and adjustments to levels of service to ensure that Marine Navigation Services is prepared for the 21st century.

The lighthouse at Point Amour, Newfoundland, which began operation in 1857, was fully automated in the 1980s and destaffed in 1996-97. It is the only lighthouse in Canada with a Heritage designation.

3.2.2 Marine Communications and Traffic Services

Planned Spending (1997-98 RPP)	**$58.1 million**
Total Authorities (Public Accounts)	**$60.7 million**
1997-98 Actual Expenditures	**$73.4 million**

Actual expenditures were higher than originally planned as a result of the allocation of costs among DFO's business lines.

Commitment to Canadians

Safe, efficient and accessible waterways and harbours. Marine Communications and Traffic Services (MCTS) provides Canadians with a Communications and Traffic Services network for the marine community and for the public at large.

Impact on Canadians

- Reduced pollution risks and lower traffic management costs are expected to result from the adoption of the Automated Identification System (AIS) for ships. Testing and evaluation of the performance of a new AIS technology were conducted in British Columbia coastal waters in a partnering arrangement with the B.C. Chamber of Shipping. Both parties gained valuable experience with the use of technology and established a positive working relationship, with a view to addressing future AIS issues.
- Two Global Maritime Distress and Safety System projects were started in 1998 as part of Canada's international commitment to SAVE LIVES by modernizing and enhancing the current marine radio-communication system.
- MCTS is focusing on improving marine safety and client relationships in order to promote a stronger Canada, and is assessing new technologies and creating partnerships with Canadian industry to promote Canadian expertise abroad.
- The MCTS integration (amalgamation of radio stations and Vessel Traffic Services Centres) reduces costs and provides a more efficient service. The integration proceeded as planned with 7 sites integrated in 1997-98. By 1999, at the end of the four-year exercise, the number of centres will be 22, down from the original 44, for total savings of more than $13 million and a staff reduction of about 200 employees.

Service Standards

MCTS is committed to validating the relevance and efficiency of its Levels of Service Standards in a manner consistent with the Coast Guard Risk Management approach for the Safety Services initiative. The process started in 1997 and will be completed in 1998-99.

Planned Program Improvements

In the conduct of a quality service delivery and with the implementation of new technology strategies, MCTS will continue to reduce the number and severity of collisions and groundings, reduce the number of lives lost, reduce the risks and impacts of spills, and reduce vessel transit time, thereby improving clients' operational and economic performance. The MCTS Performance Framework is under development. Statistical information will be available in 1998-99.

3.2.3 Icebreaking Operations

Planned Spending (1997-98 RPP)	**$42.3 million**
Total Authorities (Public Accounts)	**$46.4 million**
1997-98 Actual Expenditures	**$41.0 million**

Actual expenditures were lower than expected because of an unusually mild winter and the resulting decrease in demand for Coast Guard icebreaking services.

Commitment to Canadians

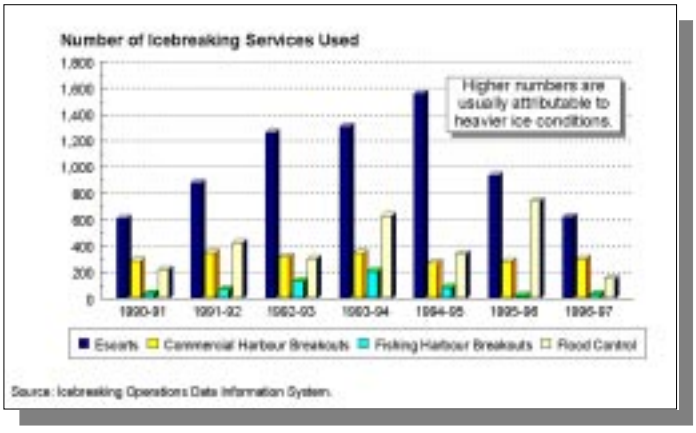
Safe, efficient and accessible waterways and harbours in ice-covered waters and decreased risk of flooding and property damage as a result of ice build-up.

Impact on Canadians

- A joint industry/CCG Ice Route Assistance Fee Structure Subcommittee was established in May 1997 to recommend a structure for the icebreaking component of the Marine Services Fee. The Icebreaking Service Fee is in keeping with the government policy that users should contribute to the costs of services that directly benefit them.
- The transfer of the Arctic Sealift to the Government of Nunavut is ongoing; however there are no firm target dates. CCG will continue to administer the Sealift until the transfer to Nunavut is concluded. This will ensure the well-being and economic viability of Inuit communities.
- CCG participated in meetings on the Harmonization of Polar Shipping Rules, which was submitted to the International Maritime Organization in March 1998. This "Polar Code" will improve safety for ships travelling in the Arctic, prevent pollution in sensitive Arctic areas and ensure more cost-effective transportation of Canada's Arctic resources.

Service Standards

Client satisfaction has been measured since 1997, and over 90% of clients are very satisfied. Client participation in performance measurement has resulted in a more businesslike approach to program delivery. Performance measurement against key targets, such as icebreaker response time, has been taking place since 1990.



Planned Program Improvements

CCG will establish annual icebreaker requirements by matching ice-season predictions and client requirements with service capacity. Work will continue with advisory boards on service requirements and other initiatives to lower program costs.

3.2.4 Rescue, Safety and Environmental Response

Planned Spending (1997-98 RPP)	**$135.3 million**
Total Authorities (Public Accounts)	**$139.7 million**
1997-98 Actual Expenditures	**$104.6 million**

Actual expenditures were lower than originally planned because of the allocation of costs among DFO's business lines.

Commitment to Canadians

Safe, efficient and accessible waterways and harbours, as well as conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment. Rescue, Safety and Environmental Response provides Canadians with safety of life and property and respond to marine search-and-rescue incidents and marine pollution emergencies.

Impact on Canadians

- CCG, in partnership with industry, is developing a Marine Chemical Emergency Response Regime, which will put a nationally consistent preparedness framework in place and determine the steps to follow to respond to a spill of chemicals in our waters. Conceptual framework options were produced in January 1998 and will be further developed by a National Working Group and submitted to a National Stakeholder Consultation session in 1999.

Did You Know?
Rescue, Safety and Environmental Response co-cordinated the national Coast Guard response to the Manitoba flood and the Quebec-Ontario ice storm through the provision of people, equipment and services.

- The Canadian Coast Guard Auxiliary, a volunteer organization, has been given an increase in contribution funding of $1 million to expand its role in Search and Rescue operations, training, prevention and safety-related activities. This initiative provides the foundation for organizational self-sustainability, development and growth.
- To diminish the risk of accidents and fatalities involving recreational boaters, regulations for operator requirements and age and horsepower restrictions were published in the *Canada Gazette*, Part 1, on June 13, 1998. In addition, a policy decision was taken not to change the existing boat licensing system and not to charge licence fees.
- CCG, in partnership with others across Canada, provides boating safety services to the public. We support volunteer-based approaches to program delivery and the domestic and international competitiveness of the tourism and boat equipment manufacturing sectors. New approaches to regulatory development and user consultation have the strong support of stakeholders.

Did You Know?
On an average day, CCG saves 8 lives, assists 55 people in 19 Search and Rescue cases, maintains 55 navigational aids, handles more than 1,000 radio calls, and assists 14 boating safety education activities.

Service Standards

Not all service standards have been established; however, National Performance Measures are being implemented in 1998-99.

Planned Program Improvements

Interventions and prevention strategies managed in this program will continue to affect Canadian taxpayers directly and positively by mitigating the safety and environmental risks associated with shipping and boating and reducing the number of fatalities and incidents.

A Canadian Coast Guard high-speed/high-endurance lifeboat conducting an air/sea transfer with the Department of National Defence

3.2.5 Fisheries and Oceans Science

Planned Spending (1997-98 RPP)	**$113.3 million**
Total Authorities (Public Accounts)	**$128.4 million**
1997-98 Actual Expenditures	**$116.4 million**

Total authorities were increased from planned spending for higher workforce adjustment costs and the carry-forward of strategic research projects from the 1996-97 fiscal year. Actual expenditures were less than total authorities, and the free balance was used to cover departmental pressures in other areas.

Commitment to Canadians

Conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment. Fisheries and Oceans Science provides a reliable scientific basis for the conservation of fishery resources, and for the sustainable development of aquaculture.

Impact on Canadians

- Fisheries and Oceans Science involved participants from outside the Department in stock assessment activities to increase the Canadian public's and industry's understanding and acceptance of research results and scientific advice underpinning ministerial decisions.
- Advice was provided to fisheries management and the industry regarding the sustainable use of resources and development of a viable industry that will conserve fisheries resources and the aquatic environment for future generations of Canadians.
- Departmental staff worked closely with the Department of the Environment, other government departments and provincial governments to resolve issues related to the protection of endangered species.

Did You Know?
DFO is one of 8 departments participating in initiating a Youth Internship Program. Partners in the private sector or universities hired 80 graduates of post-secondary science programs. DFO is investing $1 million in this program.

Service Standards

Fisheries and Oceans Science service standards were published during 1997-98, and they are available on the departmental Internet site (http://www.ncr.dfo.ca). Work this year is focusing on developing means to measure the standards for future reporting.

Planned Program Improvements

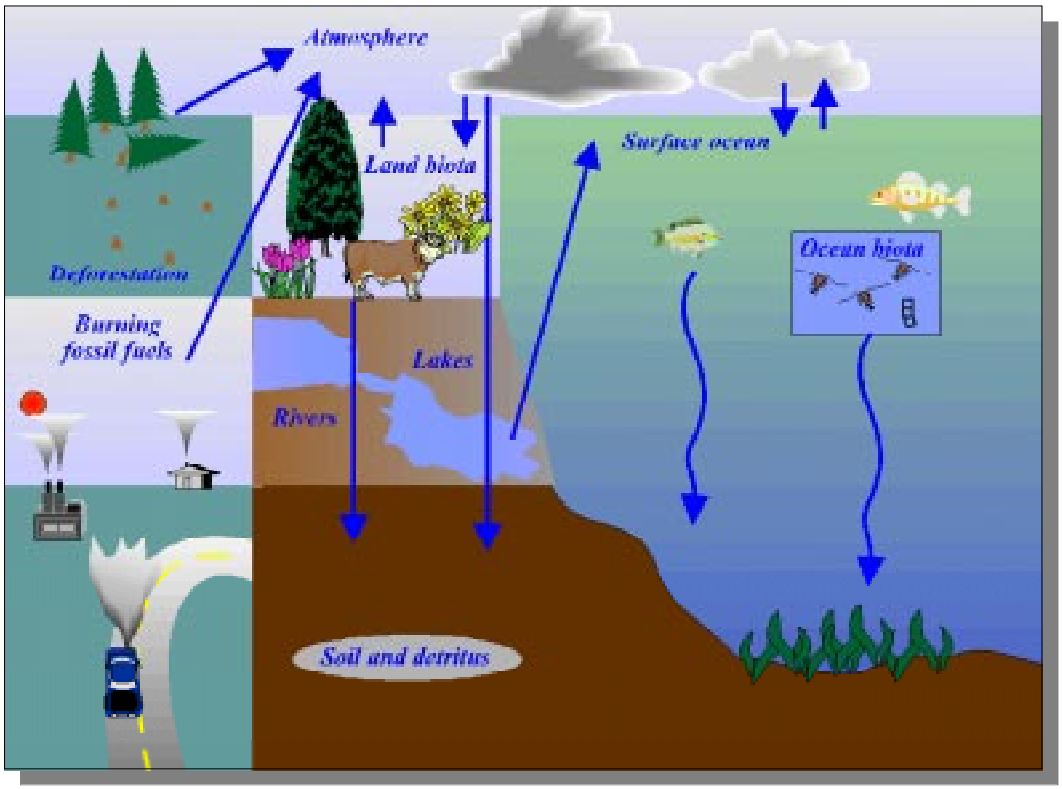
The Science sector is implementing new ways of delivering its services: multidisciplinary, inter-regional teams, in a project-based management system; more partnerships with industry and with universities to carry out research and address scientific issues. The sector recognizes the need to move to a more transparent, open process and better communication of science outputs involving our clients, the public and other stakeholders, with a stronger emphasis on effective communication and explanation of the rationale for decisions.

The sector plans to initiate the Pacific Fisheries Resource Conservation Council process to include advice on stock assessment from more sources. The Council will also provide advice on conservation and act as a repository of information concerning the salmon fishery and key habitats.

Did You Know?

- ***Ocean's biological uptake of CO_2.*** DFO scientists made the first contemporary estimate of global ocean primary productivity. Their estimate is almost double previous assumptions, suggesting a more important role for the ocean's plants and animals in the global CO_2 cycle.
- ***Ocean's uptake of human-made CO_2.*** DFO scientists, in collaboration with the United States and Australia, produced the first present-day evidence of a net uptake of atmospheric CO_2 by the oceans. This confirms that the oceans are the dominant net sink for CO_2 generated by human activities.
- ***Changes in the Arctic Ocean***. Results from the first-ever oceanographic crossing of the Arctic Ocean revealed that the temperature of the Atlantic layer of water entering the Arctic Ocean has increased by as much as 1°C during the 1990s.
- ***Climate influences on fisheries***. DFO researchers report that the sizes of 4-year-old Atlantic cod off the United Kingdom and Georges Bank are 10 times bigger than those off Newfoundland and in the Gulf of St. Lawrence. This is due to differences in regional climates.

Source: DFO Science, *Oceans' Role in Climate Change*.



Global carbon cycle

3.2.6 Habitat Management and Environmental Science

Planned Spending (1997-98 RPP)	**$39.3 million**
Total Authorities (Public Accounts)	**$48.6 million**
1997-98 Actual Expenditures	**$48.2 million**

An increase in total authorities was sought through Supplementary Estimates for the Pacific Salmon Revitalization Strategy.

Commitment to Canadians

Conservation and biological sustainability of fisheries resources, marine and freshwater habitats and a protected environment. Habitat Management and Environmental Science protects and conserves marine and freshwater environments.

Did You Know?

- Community groups and others interested in salmon conservation were given over $7 million to restore salmon habitat and rebuild the valuable salmon resources of British Columbia.
- In the summer of 1997, public consultations were conducted on a proposed approach to establishing and managing Marine Protected Areas.

Impact on Canadians

- Canadians are calling on the federal government to strengthen its efforts to conserve and protect fish habitat, a key indicator of environmental quality, across the country. Such challenges in the area of habitat are important, and they keep increasing.
- The Department is working with Canadians to implement the conservation and protection provisions of the *Oceans Act*. A national system of Marine Protected Areas, integrated management plans for marine and estuarine waters and marine environmental quality standards will promote the sustainable development of oceans and conserve their richness for future generations.
- Canada is contributing to scientific knowledge on the biological effects of chemical contaminants in the Canadian environment as part of its international commitment to control the release of toxic substances. This knowledge will provide the scientific foundations for better risk management decisions, on both national and international scales.

Service Standards

Habitat Management and Environmental Science service standards were published during 1997-98, and they are available on the departmental Internet site. Work this year is focusing on developing means to measure the standards for future reporting.

Planned Program Improvements

Industry and other stakeholders will be consulted over the next two years on the issue of habitat compensation for authorized losses of fish habitat. Work has continued on the proposal to delegate certain habitat management responsibilities to inland provinces. It is expected that draft framework agreements to govern such delegations will be developed in 1998-99. Negotiations with provinces and consultations with stakeholders will occur on a draft list of projects, which would continue to be subject to DFO review after the delegation of responsibility.

3.2.7 Hydrography

Planned Spending (1997-98 RPP)	**$25.0 million**
Total Authorities (Public Accounts)	**$27.2 million**
1997-98 Actual Expenditures	**$34.0 million**

Total authorities were increased marginally as a result of the allocation of resources for workforce adjustment from the central reserve through Supplementary Estimates. Actual expenditures were higher than planned as a result of higher workforce adjustment activities, increased vessel costs and increased demand for Arctic survey operations.

Commitment to Canadians

Safe, efficient and accessible waterways and harbours. Hydrography provides Canadians with nautical products for safe and efficient navigation.

Impact on Canadians

- The production of electronic navigation charts based on newly adopted international standards was accelerated. Adopting these standards will contribute to maintaining safety and ensuring continued commercial activity. A commercial digital updating service was established.
- Revenues from chart sales were increased in an effort to reflect the costs of producing charts.
- Private and public sector partnering was further developed to reduce the costs of program delivery and to increase revenues.
- New technologies such as multi-beam sonar and standard surveys in Canadian waters were completed, and this information was published in charts and related publications, which will lead to safer and more efficient transportation.

Did You Know?

- Because Canada is regarded as a world leader in this field, other countries are turning to us to share our knowledge and experience. For example, the Canadian Hydrographic Service is conducting a joint pilot project in New Zealand.
- Hydrography formed 24 new partnership agreements covering surveys, repackaging products for sale, and chart production for other parties.

Service Standards

The Canadian Hydrographic Service has implemented a regional quality pilot project that will monitor adherence to service standards. Program review reductions have impacted on the ability to meet these standards.

Planned Program Improvements

A number of initiatives are under development that will lead to cost savings and improved services and customer satisfaction:

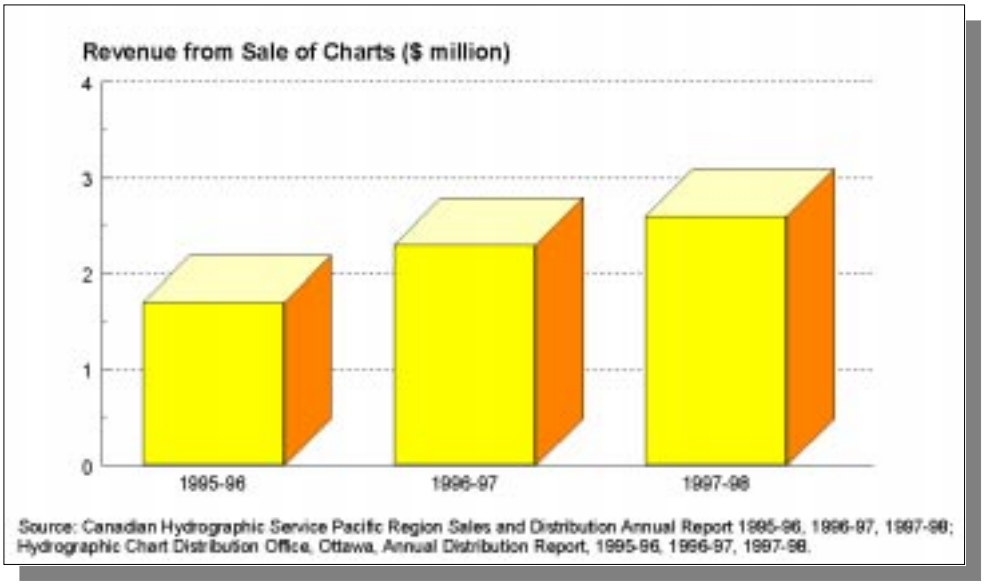
- total quality management involving customer needs and expectations, and a marketing program to improve products and increase revenues; and
- improved product planning and design, e.g., navigation charts, electronic navigation devices, wave tables and small craft guides.

Key Independent Review: The Canadian Hydrographic Service

This was the first of two reviews of Science business lines. The review confirmed that the Canadian Hydrographic Service (CHS) had started a number of initiatives and should continue to address the following:

- improved product planning and design (e.g., navigation charts, electronic navigation devices, wave tables and small craft guides);
- customer needs and expectations;
- program priorities;
- marketing; and
- defining of organizational roles and responsibilities.

Implementation of the review's recommendations will lead to cost savings and improved services and customer satisfaction.



Source: Canadian Hydrographic Service Pacific Region Sales and Distribution Annual Report 1995-96, 1996-97, 1997-98; Hydrographic Chart Distribution Office, Ottawa, Annual Distribution Report, 1995-96, 1996-97, 1997-98.

3.2.8 Fisheries Management

Planned Spending (1997-98 RPP)	**$224.3 million**
Total Authorities (Public Accounts)	**$237.4 million**
1997-98 Actual Expenditures	**$223.7 million**

Total authorities were increased from planned spending mainly for the implementation of the Canada-British Columbia Agreement on Pacific Salmon, the Pacific Salmon Fisheries Revitalization Program and for the Pacific Salmon Treaty negotiation.

Commitment to Canadians

Conservation and protection of Canada's fishery resource and, in partnership with stakeholders, assurance of its sustainable utilization.

Fisheries Management Overview

This business line carries out activities in six major program areas: Resource Management, Conservation and Protection, International Affairs, Aboriginal Affairs, Salmon Enhancement Program, and Program Planning and Co-ordination.

1997-98 Performance Accomplishments

- ***Resource Management***. There were 22 new co-operative management agreements implemented in partnership with co-managers and stakeholders, bringing the total to 28. In these agreements, parties agree to work co-operatively towards conservation and sustainable resource use objectives. As well, co-management of the fishery resource was implemented under 9 land claims agreements. (See the table on the next page for details.)
- ***Conservation and Protection***. Front-line fishery officer recruitment was reinitiated to increase the front-line cadre of fishery officers and to strengthen their operating capability. Twenty-five fishery officer recruits were hired, bringing the total number of officers to 586.
- ***International Affairs***. The Northwest Atlantic Fisheries Organization (NAFO) conservation and enforcement measures, requiring 100% observer coverage on all member vessels fishing in the NAFO regulatory areas, were extended to the end of 1998. This program, first implemented in 1996, has resulted in a marked increase in compliance with the NAFO rules.
- ***Aboriginal Affairs***. One hundred twenty-four fisheries agreements were negotiated or renegotiated with eligible First Nations in British Columbia and in Atlantic Canada before the start of the 1997 fishing season under the Aboriginal Fisheries Strategy. These agreements establish a regulatory framework for management of the Aboriginal fishery, integrate Aboriginal people into the management of the fishery and seek to provide economic benefits and to establish and provide allocations of fish.
- ***Salmonid Enhancement Program***. The Program operated 21 contracted and 86 government hatcheries and spawning channels in the Pacific Region. It also ran 300 volunteer enhancement projects with a total of 10,000 participants. Salmon enhancement and habitat restoration work was done in 270 rivers and streams, and 520 million juvenile salmon were released in 1997.
- ***Program Planning and Co-ordination***. Industry, with DFO assistance, began the elaboration of a Canadian Code of Conduct for Responsible Fishing (the development of conservation harvesting technology and practices), which is expected to be ratified by November 1998. Certain aspects of the Code are already being included in Integrated Fisheries Management Plans across the country.

Impact on Canadians

Resource Management

- In 1997-98, 176 distinct fisheries (see the table below) were managed within sustainable limits.
- The Pacific Revitalization Strategy helped reduce the size of the fishing fleet by 32% and a range of licensing measures (area licensing, licence stacking and single gear licensing) were introduced to reduce fishing pressure in key salmon fisheries. Further fleet reductions are anticipated to reach the 50% reduction goal in 1998-99, as forecasted.
- In the Atlantic, a number of initiatives were undertaken to provide a foundation for a more economically viable and environmentally sustainable groundfish fishery. Licence and early retirement initiatives, and licensing policy changes led to a 30% reduction in participation rates.
- Eighteen integrated fisheries management plans were developed in partnership with stakeholders, bringing the total to 60. These plans account for more than 85% of the harvesting activity. These plans recognize conservation as the priority and are intended to improve program delivery for fishers through strengthened management, communications and accountability.

Region	Number of Fisheries Managed[1]	Number of Integrated Fisheries Management Plans, 1997-98	Number of Co-operative Management Agreements, 1997-98
Atlantic	10	8	3
Newfoundland	18	8[3]	3
Maritimes	34	12	8
Laurentian	10	3	3
Central & Arctic	72[2]	5	61[4]
Pacific	32	24	11
TOTAL	**176**	**60**	**89**

[1] In the Central and Arctic Region, the 72 fisheries that are managed include commercial, recreational and food fisheries.

[2] In the Central and Arctic Region, 300 fish stocks and 29 marine mammal stocks have been integrated into 72 planning units.

[3] Some plans have been combined from previous years.

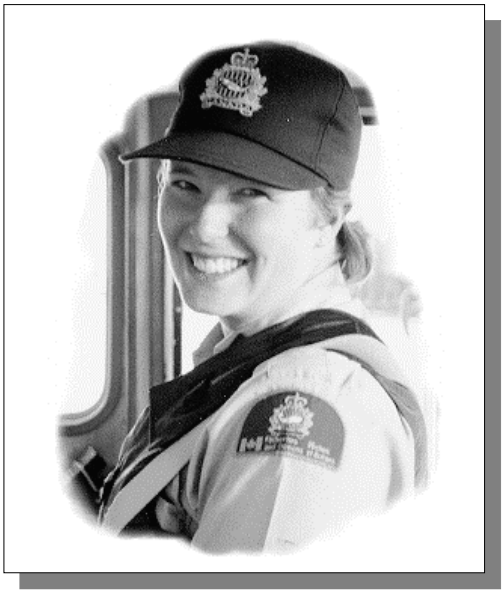
[4] Fisheries co-operatively managed under four land claim agreements and through the Great Slave Lake Advisory Committee.

- With the limited re-opening of two cod stocks in the Atlantic, major conservation controls were introduced, which included 100% dockside monitoring.

Conservation and Protection

- Efficiency savings from the Conservation and Protection Fleet Rationalization Plan were reinvested in the purchase and improvement of 18 smaller high-speed program boats equipped with Global Positioning Systems for patrolling near-shore waters. This has improved the effectiveness of fishery officers by permitting them to cover a greater area in less time and by strengthening their operating capability.
- A national organizational model to strengthen the supervision of fisheries officers was developed, and regional implementation is under way.

- A fisheries habitat enforcement program in Ontario was implemented because of the withdrawal of the Ontario Ministry of Natural Resources from the enforcement of section 35 of the *Fisheries Act*.



Conserving the Canadian fishery

International Affairs

- A new Canada-U.S. Pacific Salmon Treaty negotiating process was started aimed at resolving the Pacific Salmon dispute and reaffirming commitment to the Treaty and its principles of equity and conservation, securing agreement on fair sharing arrangements and establishing a workable dispute settlement mechanism.
- Legislation was tabled in the House of Commons in December 1997 to allow for Canada's ratification of the UN Agreement on Straddling and Highly Migratory Stocks. So far, 18 countries have ratified the Agreement, which is aimed at improving the conservation and protection of straddling, transboundary and highly migratory fish stocks.
- Compliance measures against Panama, Honduras and Belize were implemented to prevent their undermining bluefin tuna conservation measures adopted by the International Commission for the Conservation of Atlantic Tuna.
- Strong conservation measures in Canada's Atlantic salmon fisheries encouraged North Atlantic Salmon Conservation Organization parties to support the closure of Greenland's commercial fisheries.
- Twenty-one streams were treated, and sterile males were released in nine streams to help control sea lamprey populations in the Great Lakes.

Salmonid Enhancement Program

- The habitat restoration and enhancement program component of the Pacific Salmon Revitalization Strategy, delivered by Fisheries Management and Science, contributed to over 100 projects and activities in British Columbia that focused on salmon stock conservation and habitat restoration, employed fishers affected by fleet rationalization, and took place in or near affected communities.
- The Salmonid Enhancement Program contributed to maintaining several commercial, Aboriginal and sport fisheries throughout British Columbia.
- A new joint funding arrangement with the Greater Vancouver Regional District was established for the Seymour hatchery. A conceptual plan for redevelopment and cost recovery at the Capilano hatchery was advanced in co-operation with the Pacific Salmon Foundation.
- Partnership arrangements with the Government of British Columbia, B.C. Hydro and community groups have jointly funded habitat restoration activities. A new partnership

arrangement for the operation of Pallant Creek hatchery is being pursued with the Haida and local fishing interests.

Program Planning and Co-ordination

- A departmental fisheries information management strategy was developed to modernize information holdings, to make more effective use of information in management decisions and to make accurate real-time information available for improved policy decisions. A variety of business users, collectors and custodians of fishery data and the general public will use the network.

Service Standards

The Fisheries Management Business Line has developed service standards, and adherence is being monitored and measured through the use of departmental feedback mechanisms such as the integrated fisheries management planning process. Periodic evaluations will be conducted to assess client satisfaction on the delivery of the fisheries management program.

Planned Service Improvements

Resource Management

- Continue to implement the Fisheries of the Future and to develop Integrated Fisheries Management Plans with all concerned co-managers and stakeholders to promote sustainable, economically viable and self-reliant fisheries.
- The implementation of the fisheries components of the National Fisheries Adjustment and Restructuring Program for the East and West coasts.

Conservation and Protection

- The Native Guardian Program is being reviewed to determine what changes are required to make this iniative more effective.
- In 1998-99, 48 new fishery officer recruits will be hired, creating employment opportunities for Canadian youth.
- New technologies, such as modern satellite and transponder technologies, and improvements to fleet configuration will be introduced to reduce costs, increase overall efficiency and strengthen enforcement capability.

International Affairs

- Continued international negotiation on treaties and agreements will ensure improved conservation and protection of straddling, transboundary and highly migratory fish stocks and the continued viability and sustainability of the resource for the benefit of Canadians.
- Work in multilateral negotiations will continue to focus on the introduction of measures that will ensure more responsible fishing practices and improve compliance with the conservation rules of such international fisheries organizations such as the Northwest Atlantic Fisheries Organization and the International Commission for the Conservation of Atlantic Tuna.

Aboriginal Affairs

- The policy for the Management of Aboriginal Fisheries will be reviewed and updated.
- The recent augmentation of the Allocation Transfer Program by $5 million will accelerate Aboriginal communal participation in coastal fisheries, thereby providing much needed employment, revenue, skills training and capacity to these communities.
- Settlement of pending land claims will result in the establishment of new fisheries co-management agreements.

Salmonid Enhancement Program

- Consultations with commercial and recreational fishing industries, First Nations, and environmental and other community groups were initiated in 1998 to discuss future salmon hatchery production, coho rebuilding plans and related matters.
- Federal-provincial work groups that address habitat restoration and enhancement issues to improve program effectiveness, co-ordination and efficiency will continue under the Canada-B.C. Agreement.

Program Planning and Co-ordination

- A fishery conservation network that deals with harvesting technology and links expertise and capabilities in developing technical solutions to priority conservation issues in Canada's fishery and internationally will be developed. An Internet site has been developed to integrate network solutions.
- Alternative service delivery that provides commercial fishers with the option of paying licence fees through their financial institution will be implemented.
- An integrated fisheries information network to make better, more effective use of information in fisheries management decisions and to make accurate, real-time information available for improved policy decisions will be developed. A variety of business users, collectors and custodians of fishery data and the general public will use the network.

Key Independent Review: Integrated Fisheries Management Plan Process

In 1996, DFO introduced a department-wide planning approach to improve fishery management plans and ensure that fishers and related industries are consulted. The new plans describe how fishery resources are allocated and include science, conservation and enforcement measures. The 1997-98 review of fisheries management planning will result in additional improvements to this already successful approach:

- Plans will be developed in a more timely manner.
- Information sharing will improve.
- DFO staff will receive more training.

The ultimate goal of the improved planning process is to ensure that precious Canadian fisheries resources will be assured for future generations.

3.2.9 Harbours

Planned Spending (1997-98 RPP)	**$52.2 million**
Total Authorities (Public Accounts)	**$52.2 million**
1997-98 Actual Expenditures	**$58.0 million**

A $5.8 million difference between planned and actual expenditures resulted from internal reallocations to address high-priority maintenance issues.

Commitment to Canadians

Harbours critical to the fishing industry open and in good repair.

Impact on Canadians

- ***Rationalization***: Inventory was reduced in 1997-98 by 209 recreational sites and 44 inactive fishing sites, most of them transferred to municipalities, at a cost to DFO of $5.5 million. Refer to the chart below.

Year-End Inventory	1994-95	1995-96	1996-97	1997-98	Target for 2001
Recreation Sites	825	750	667	458*	0
Fishing Sites	1,308	1,255	1,234	1,190	950
TOTAL	**2,133**	**2,005**	**1,901**	**1,648**	**950**

* This number reflects the removal of 112 sites awaiting only final paperwork.

- ***Client Participation***: 110 fishing harbours were converted to client-run Harbour Authorities, bringing the total to 444 sites (37%). At fishing harbours, DFO site operation expenses totaled $4.2 million, while financial participation by clients and partners totalled $8.3 million, including $1.5 million paid directly into general government revenues.

Did You Know?

- Fifty-eight percent of fishing clients now operate from client-operated harbours.
- Cumulative harbour inventory reductions have reached 23% and will help narrow the gap between available budget and infrastructure maintenance requirements.
- An Environmental Management System has been developed for implementation at all sites by fiscal year 2001-02 in order to incorporate the environment into all decisions.

- ***Infrastructure Priorities***: The DFO infrastructure maintenance program included 1,450 priority projects that accounted for $35.8 million in direct costs to DFO, the majority directed to Harbour Authority sites. Many other projects were deferred because of budget shortfalls.
- ***Current State of Harbour Structures***: At year-end, 25% of fishing harbour structures were still rated poor/unsafe, needing immediate repair or replacement; 39% were in fair condition, and 36% were in good or very good condition.
- ***Value for Taxpayer Dollars/Contribution to Government-Wide Priorities***: This is demonstrated by improved community safety (more on-site monitoring, new environmental management system), significant progress in removing extraneous demands on future budgets, increased financial participation by clients and continued

contributions to local economies and employment, particularly in rural and coastal communities.

Service Standards

To improve communication lines and service to Canadians, the service standards will undergo revision in fiscal year 1998-99 and adherence reporting will commence in fiscal year 1999-2000.

Planned Program Improvements

The Harbours business line is in transition, evolving from a hands-on operating program to one that supports client-delivered operations. The goal is a smaller, core system of harbours that are client-run and partially client-financed. Changes in the fishery that alter the economic return for clients and legal complexities associated with changes in property management can have significant impacts on the rate of progress toward this goal. While rationalizing the harbour system requires short-term financial investment and temporarily diverts funds from infrastructure maintenance, this will result in long-term efficiencies.

Discovery Harbour, Campbell River, British Columbia

3.2.10 Fleet Management

Planned Spending (1997-98 RPP)	**$117.7 million**
Total Authorities (Public Accounts)	**$125.7 million**
1997-98 Actual Expenditures	**$123.8 million**

The increase in total authorities and actual expenditures is due to an allocation of costs among DFO's business lines using the fleet service.

Commitment to Canadians

Safe, cost-efficient and effective sea and air platforms to DFO and other government departments.

Impact on Canadians

- CCG is implementing the International Safety Management Code to show leadership as the largest Canadian civilian fleet and to demonstrate that our service is highly professional, safe and efficient. A baseline assessment indicated that clearer accountability requirements are necessary under the Code.
- We have determined which Fleet vessels are most suited to carry out the delivery of the combined DFO/CCG programs to best meet the broader client needs. Many have been multi-tasked to carry out several programs, and their crews have been cross-trained. Instead of building a replacement vessel for Science, the CCGS *Edward Cornwallis* is being converted to carry out both icebreaking and science work, thus avoiding costs in excess of $50 million. The new 47-foot lifeboats are being brought into service to replace aging vessels and to reduce life cycle costs.

Did You Know?

- ***OceansTec Mission and Expo 98***. CCGS *Louis S. St-Laurent* made five ports of call in Europe terminating at Expo 98 in Portugal. The purpose was to market Canadian oceans technologies and highlight DFO's role as custodian of Canada's oceans. The ship was also "greened" using several state-of-the-art environmental systems.
- ***Surface Heat Budget of the Arctic Ocean***. In October 1997, CCGS *Des Groseilliers* was frozen into the Arctic Ocean for one year to support a major international study of the Arctic Ocean's heat budget to assist in global climate studies.

- The Vessel Scheduling and Resource Allocation Process was implemented for the 1998-99 fiscal year to integrate crew management, fleet planning and costing, and resource tracking. This will result in better accountability between budgets and program delivery.

Service Standards

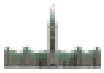
Fleet Management has begun the development of a Service Management Strategy that includes business accords with clients, a performance management process and quality service standards.

Planned Program Improvements

Fleet and Program Management are working together to resolve shortfalls in Fisheries Conservation and Protection and in Search and Rescue coverage. Fleet Management will integrate fleet activity reporting into the Vessel Scheduling and Resource Allocation Process to provide accurate information on the level and cost of fleet support to the Programs. Fleet replacement designs will incorporate multi-taskable features and reduced life cycle costs.

***CCGS Des Grosseilliers*, which is now the base for an international scientific study of ocean warming in the Arctic**

3.2.11 Policy and Internal Services



Planned Spending (1997-98 RPP)	**$150.5 million**
Total Authorities (Public Accounts)	**$177.0 million**
1997-98 Actual Expenditures	**$187.6 million**

An increase in total authorities of $26.5 million was sought through Supplementary Estimates for system development, facilities, health and safety projects, new policy initiatives and workforce adjustment costs. Actual costs were higher than planned because of a reallocation for centrally managed services.

Commitment to Canadians

To support DFO's business lines by maintaining the infrastructure and service base required to provide staff with the information, technology and support they need to achieve the Department's vision and mission, in Canada and abroad, in a timely and cost-effective manner.

Key Achievements in 1997-98

- ***Policy***. Policy and Internal Services worked collaboratively with the regions, other sectors and other federal departments to do the following:
  - to lay the essential groundwork for the Canadian Fisheries Adjustment and Restructuring Program, which was established and approved by Cabinet in June 1998. This is a key element of a strategy to ensure the long-term viability of the fishery through the development of a smaller, economically viable and environmentally sustainable multi-species fishery.
  - to commence the development of Canada's Oceans Strategy. Two documents outlining the federal role and the provincial/territorial roles in Oceans programming were completed. Also, in January 1998, the Minister released the document *Toward Canada's Oceans Strategy* for public discussion.
- ***Communications***. Electronic media monitoring has replaced printed press clippings. The number of hard copies was decreased by 50% as a result. As well, DFO employees can now access the news sources via computer before 8 a.m. Eastern Standard Time.
- ***Corporate Services***
  - ***Access to Information and Privacy (ATIP).*** DFO responded to 172 of the 458 requests for information in 25 days or under – five days faster than the service standard.
  - ***Finance and Administration***. A new, integrated departmental financial and materiel management system was successfully introduced.
  - ***Human Resources***. A three-tier continuum of management training was developed and delivered. The impact has been improved leadership and management throughout DFO.
  - ***Information and Technology Services***. E-mail connections were established to users in remote areas of each region, and the benefits were immediately recognized. Staff at isolated stations such as Tobermory, at the tip of the Bruce Peninsula, in Ontario, were thrilled when the connections were complete. Their first message to DFO announced: "We're connected!"

Impacts of Policy and Internal Services

Policy

- Improved commercial export opportunities for fish producers and aquaculturalists, increasing the incomes of Canadian processors and fishers by an estimated $100 to $200 million annually. This is done by
  - leading the negotiations of a trade liberalization agreement for fish products within APEC countries; and
  - successfully challenging, through the World Trade Organization, an Australian ban on imports of uncooked salmon products.
- Increased the effectiveness of Canadian legislative instruments by amending and modernizing the following:
  - Track I of the *Canada Shipping Act* (C-15). Miscellaneous amendments included some CCG items referred to the Transport Committee in March 1998.
  - the United Nations Fisheries Agreement (C-27), which was tabled and advanced to the committee stage.
  - fees enacted in April 1998, for organizations responsible for responding to spill clean-ups.
  - regulations requiring proficiency of the operators of small vessels. These were pre-published in Part I of the *Canada Gazette*.
  - dockside monitoring regulations, introduced to ensure compliance with quotas and conservation measures.

Communications

- Internet and Intranet improvements are planned, as part of La Relève, in response to the request of DFO employees:
  - All DFO communications employees will be listed by name, title, function and phone number, with photo.
  - A new Deputy Minister's Internet site is being developed to provide all employees with access to Senior Management Committee meetings and various initiatives of the Deputy Minister.

Corporate Services

- In response to issues raised in the 1997 Information Commissioner's Report, DFO is striving to improve the turnaround time and completeness of our responses to information requests. DFO is receiving an increasing number of such requests (there were only 67 in 1992, but 458 in 1997-98).
- Human Resources identified employees, including employment equity representatives, with executive potential and provided them with assignments which ensured executive replacement readiness. Human Resources also designed and piloted DFO-wide training on creating a respectful and harassment-free workplace, which increased awareness and is aimed at reducing formal complaints.

- A new financial electronic billing system was introduced, and a pilot project in the Maritimes Region forecasts a 75% decrease in manually created invoices (from 80,400 to 6,000 in 1998-99); in 1997-98, 1,300 staff were relocated successfully to merge the management and operations of CCG and DFO.
- Communication within DFO was greatly enhanced with the successful completion of the "Common E-mail and Infrastructure" project. Coupled with enhancements to the Department's wide-area network capability and its expansion into remote areas, the new common e-mail facility is now allowing a quick exchange of information among DFO's employees. Remote access facilities were also put in place for offices where connection proved uneconomical or for mobile users such as fisheries inspectors. The project's success can be attributed to good project management and teamwork between headquarters and the regional offices. Moreover, with the explosion of the Web as a tool to share information, DFO's presence on the Internet was reviewed. Standards for a common look and feel were developed to improve our identity and make DFO's information more accessible to our stakeholders.

Review

- Impacts of reviews in 1997-98 included improving the potential benefits and assessments of risks of DFO initiatives, suggesting improvements to planning processes, workload analyses and organizational options, and improving Service Standards and Performance Measurement Frameworks.
- As each independent review report is approved by the Departmental Review Committee, it is posted on the Internet.
- An operational Greening Plan was developed to create a DFO focus on Greening. A new directorate was created in Corporate Services to coordinate implementation of the plan.

Key Independent Review: PeopleSoft Human Resource Project Implementation

Reviews were conducted at various stages of system implementation, which began in 1996. The last review assessed the edits and data integrity of two major modules of the new system.

Human Resources is taking the following actions, recommended by the Review, which will result in cost savings and improved human resources management practices:

- building ongoing checks into the system to ensure accurate and timely data entry; and
- ensuring all DFO regional Human Resources organizations correct inaccuracies and omissions in their databases.

Images of the ice storm

Section 4

Financial Performance

4 Financial Performance

4.1 Financial Performance Overview

In 1997-98, the Department of Fisheries and Oceans (DFO) managed approximately $1.1 billion in delivering its programs. Over 85% of these resources were dedicated to salary requirements for DFO staff (over 8,500 employees, serving Canadians from the Arctic to the Atlantic to the Pacific Coast) and other operational requirements. Capital needs accounted for 10%, with the remaining 5% used to support grant and contribution programs.

Provision for services to ensure safe, efficient and accessible waterways used some 45% of DFO's resource base. Operations to ensure sustainability of fisheries resources and harbours consumed another 39% of resources. The balance of DFO's resources were used in the day-to-day management of internal operations.

In 1997-98, DFO managed its resources in part through a number of internal reallocation exercises. During the year, further resource shifts among business lines enabled managers to deal with emerging issues and pressures. By the end of the year, the Department had lapsed $27 million, or slightly more than 2% of its total resource base. Half of the year-end lapse came from operations, while the balance arose from capital-project deferrals.

Further financial information and details on capital and grant and contribution programs can be found in the financial tables, which follow.

4.2 Financial Tables

Table 1: Summary of Voted Appropriations

(millions of dollars) Vote		1997-98 Planned Spending	1997-98 Total Authorities	1997-98 Actual Spending
1	Operating expenditures	845.5	930.9	917.4
5	Capital expenditures	113.3	114.7	101.4
10	Grants and contributions	41.1	54.2	53.7
(S)	Minister of Fisheries and Oceans — Salary and motor car allowance	—	—	—
(S)	Liabilities under the *Fisheries Improvement Loans Act*	0.2	—	—
(S)	Contributions to employee benefit plans	76.6	76.6	76.6
(S)	Federal Court Awards	—	0.1	0.1
(S)	Refunds of amounts credited to revenues in previous years	—	0.1	0.1
(S)	Spending of proceeds from the disposal of surplus Crown assets	—	3.2	2.2
	Total	**1,076.7**	**1,179.8**	**1,151.5**
	Subsequent adjustments	18.9	—	—
	Total Department	**1,095.6**	**1,179.8**	**1,151.5**

Table 2: Comparison of Total Planned to Actual Spending, 1997-98

(millions of dollars) Business Line	FTEs	Operating	Capital	Voted Grants and Contributions	Subtotal: Gross Voted Expenditures	Statutory Grants and Contributions	Total Gross Expenditures	Less: Revenue Credited to the Vote	Total Net Expenditures
Marine Navigation Services	1,281	115.4	23.2	—	138.6	—	138.6	(28.2)	110.4
Total authorities	*1,281*	*143.2*	*21.5*	*—*	*164.7*	*—*	*164.7*	*(28.2)*	*136.5*
Actuals	**1,285**	**151.0**	**16.7**	**—**	**167.7**	**—**	**167.7**	**(26.9)**	**140.8**
Marine Communications and Traffic Services	630	47.0	11.8	—	58.8	—	58.8	(0.7)	58.1
Total authorities	*630*	*50.5*	*10.9*	*—*	*61.4*	*—*	*61.4*	*(0.7)*	*60.7*
Actuals	**765**	**64.8**	**9.5**	**—**	**74.3**	**—**	**74.3**	**(0.9)**	**73.4**
Icebreaking Operations	444	65.9	—	—	65.9	—	65.9	(23.6)	42.3
Total authorities	*444*	*70.0*	*—*	*—*	*70.0*	*—*	*70.0*	*(23.6)*	*46.4*
Actuals	**162**	**47.9**	**—**	**—**	**47.9**	**—**	**47.9**	**(6.9)**	**41.0**
Rescue, Safety and Environmental Response	1,288	129.1	4.6	1.7	135.4	—	135.4	(0.1)	135.3
Total authorities	*1,288*	*137.1*	*—*	*2.7*	*139.8*	*—*	*139.8*	*(0.1)*	*139.7*
Actuals	**996**	**101.8**	**0.7**	**2.6**	**105.1**	**—**	**105.1**	**(0.5)**	**104.6**
Fisheries and Oceans Science	1,165	113.3	—	—	113.3	—	113.3	—	113.3
Total authorities	*1,165*	*127.3*	*—*	*1.1*	*128.4*	*—*	*128.4*	*—*	*128.4*
Actuals	**1,069**	**115.3**	**—**	**1.1**	**116.4**	**—**	**116.4**	**—**	**116.4**
Habitat Management and Environmental Science	442	39.3	—	—	39.3	—	39.3	—	39.3
Total authorities	*442*	*48.1*	*—*	*0.5*	*48.6*	*—*	*48.6*	*—*	*48.6*
Actuals	**381**	**47.7**	**—**	**0.5**	**48.2**	**—**	**48.2**	**—**	**48.2**
Hydrography	341	25.0	—	—	25.0	—	25.0	—	25.0
Total authorities	*341*	*27.1*	*—*	*0.1*	*27.2*	*—*	*27.2*	*—*	*27.2*
Actuals	**377**	**33.9**	**—**	**0.1**	**34.0**	**—**	**34.0**	**—**	**34.0**
Fisheries Management	1,423	172.1	—	52.0	224.1	0.2	224.3	—	224.3
Total authorities	*1,423*	*187.8*	*—*	*49.4*	*237.2*	*0.2*	*237.4*	*—*	*237.4*
Actuals	**1,527**	**174.6**	**—**	**49.1**	**223.7**	**—**	**223.7**	**—**	**223.7**
Fish Product Inspection*	408	27.2	—	—	27.2	—	27.2	—	27.2
Total authorities	*—*	*—*	*—*	*—*	*—*	*—*	*—*	*—*	*—*
Actuals	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Harbours	89	40.2	12.0	—	52.2	—	52.2	—	52.2
Total authorities	*88*	*40.5*	*11.6*	*0.1*	*52.2*	*—*	*52.2*	*—*	*52.2*
Actuals	**103**	**41.2**	**16.7**	**0.1**	**58.0**	**—**	**58.0**	**—**	**58.0**
Fleet Management	364	58.9	58.8	—	117.7	—	117.7	—	117.7
Total authorities	*364*	*63.3*	*62.4*	*—*	*125.7*	*—*	*125.7*	*—*	*125.7*
Actuals	**540**	**97.3**	**28.6**	**—**	**125.9**	**—**	**125.9**	**(2.1)**	**123.8**
Policy and Internal Services	1,314	142.2	8.7	0.4	151.3	—	151.3	(0.8)	150.5
Total authorities	*1,315*	*169.4*	*8.3*	*0.1*	*177.8*	*—*	*177.8*	*(0.8)*	*177.0*
Actuals	**1,361**	**161.1**	**29.2**	**0.1**	**190.4**	**—**	**190.4**	**(2.8)**	**187.6**
Total Planned Spending	9,189	975.6	119.1	54.1	1,148.8	0.2	1,149.0	(53.4)	1,095.6
Total authorities	*8,781*	*1,064.3*	*114.7*	*54.0*	*1,233.0*	*0.2*	*1,233.2*	*(53.4)*	*1,179.8*
Actuals	**8,566**	**1,036.6**	**101.4**	**53.6**	**1,191.6**	**—**	**1,191.6**	**(40.1)**	**1,151.5**
Other Revenues and Expenditures									
Revenue credited to the Consolidated Revenue Fund									(59.8)
Total authorities									*(59.8)*
Actuals									**(64.9)**
Cost of services provided by other departments									63.1
Total authorities									*63.1*
Actuals									**63.4**
Net Cost of the Program									1,098.9
Total authorities									*1,183.1*
Actuals									**1,150.0**

* The Fish Product Inspection business line was transferred to the Canadian Food Inspection Agency effective April 1, 1997. This business line was part of the Department of Fisheries and Oceans' Main Estimates, and the resources were transferred through the supplementary estimates.

Table 3: Historical Comparison of Total Planned to Actual Spending

(millions of dollars) Business Line	Actual 1995-96*	Actual 1996-97*	Planned Spending 1997-98*	Total Authorities 1997-98	Actual 1997-98
Marine Navigation Services	176.1	128.6	110.4	136.5	140.8
Marine Communications and Traffic Services	68.2	75.3	58.1	60.7	73.4
Icebreaking Operations	56.5	49.2	42.3	46.4	41.0
Rescue, Safety and Environmental Response	141.3	135.4	135.3	139.7	104.6
Fisheries and Oceans Science	135.0	128.2	113.3	128.4	116.4
Habitat Management and Environmental Science	48.0	50.9	39.3	48.6	48.2
Hydrography	35.4	34.8	25.0	27.2	34.0
Fisheries Management	265.2	335.2	224.3	237.4	223.7
Harbours	56.9	55.8	52.2	52.2	58.0
Fleet Management	100.3	129.1	117.7	125.7	123.8
Policy and Internal Services	138.7	171.3	150.5	177.0	187.6
Total	1,221.6	1,293.8	1,068.4	1,179.8	1,151.5

* The Fish Product Inspection business line was transferred to the Canadian Food Inspection Agency effective April 1, 1997. For comparative purposes, this business line was excluded from the 1995-96 and 1996-97 actuals as well as the planned spending for 1997-98.

Table 4: Crosswalk between Old Resource Allocation and New Allocation

Not applicable to the Department of Fisheries and Oceans.

Artwork for the 1995-96 salmon conservation stamp

Table 5: Resource Requirements by Organization and Business Line, 1997-98

(millions of dollars)	Sector							
Business Line	Commissioner CCG	ADM Science	ADM Fisheries Management	ADM Policy	Executive and Corporate Services	Director General Inspection	Total	% of Total
Marine Navigation Services	110.4	—	—	—	—	—	110.4	
	136.5	—	—	—	—	—	*136.5*	
	140.8	**—**	**—**	**—**	**—**	**—**	**140.8**	**12.2**
Marine Communications and Traffic Services	58.1	—	—	—	—	—	58.1	
	60.7	—	—	—	—	—	*60.7*	
	73.4	**—**	**—**	**—**	**—**	**—**	**73.4**	**6.4**
Icebreaking Operations	42.3	—	—	—	—	—	42.3	
	46.4	—	—	—	—	—	*46.4*	
	41.0	**—**	**—**	**—**	**—**	**—**	**41.0**	**3.6**
Rescue, Safety and Environmental Response	135.3	—	—	—	—	—	135.3	
	139.7	—	—	—	—	—	*139.7*	
	104.6	**—**	**—**	**—**	**—**	**—**	**104.6**	**9.1**
Fisheries and Oceans Science	—	113.3	—	—	—	—	113.3	
	—	*128.4*	—	—	—	—	*128.4*	
	—	**116.4**	**—**	**—**	**—**	**—**	**116.4**	**10.1**
Habitat Management and Environmental Science	—	39.3	—	—	—	—	39.3	
	—	*48.6*	—	—	—	—	*48.6*	
	—	**48.2**	**—**	**—**	**—**	**—**	**48.2**	**4.2**
Hydrography	—	25.0	—	—	—	—	25.0	
	—	*27.2*	—	—	—	—	*27.2*	
	—	**34.0**	**—**	**—**	**—**	**—**	**34.0**	**3.0**
Fisheries Management	—	—	198.1	26.2	—	—	224.3	
	—	—	*219.9*	*17.5*	—	—	*237.4*	
	—	—	**201.8**	**21.9**	**—**	**—**	**223.7**	**19.4**
Fish Product Inspection	—	—	—	—	—	27.2	27.2	
	—	—	—	—	—	—	—	
	—	—	—	—	—	—	—	**0.0**
Harbours	—	—	—	—	52.2	—	52.2	
	—	—	—	—	*52.2*	—	*52.2*	
	—	—	—	—	**58.0**	**—**	**58.0**	**5.0**
Fleet Management	117.7	—	—	—	—	—	117.7	
	125.7	—	—	—	—	—	*125.7*	
	123.8	**—**	**—**	**—**	**—**	**—**	**123.8**	**10.8**
Policy and Internal Services	—	—	—	12.0	138.5	—	150.5	
	—	—	—	*18.2*	*158.8*	—	*177.0*	
	—	—	—	**27.5**	**160.1**	**—**	**187.6**	**16.3**
TOTALS	463.8	177.6	198.1	38.2	190.7	27.2	1,095.6	
	509.9	*204.2*	*219.9*	*35.7*	*211.0*	—	*1,179.8*	
	483.6	**198.6**	**201.8**	**49.4**	**218.1**	**—**	**1,151.5**	**100.0**

Notes: **Numbers in regular typeface denote planned spending; those in italics denote Total Authorities; numbers in bold denote actual spending.**

The Fish Product Inspection business line was transferred to the Canadian Food Inspection Agency effective April 1, 1997. This business line was part of the Department of Fisheries and Oceans' Main Estimates and the resources were transferred through the supplementary estimates.

Table 6: Revenues Credited to the Vote

(millions of dollars) Business Line	Actual 1995-96	Actual 1996-97	Planned Revenues 1997-98	Total Authorities 1997-98	Actual 1997-98
Marine Navigation Services	0.7	17.3	28.2	28.2	26.9
Marine Communications and Traffic Services	1.6	1.8	0.7	0.7	0.9
Icebreaking Operations	9.0	5.6	23.6	23.6	6.9
Rescue, Safety and Environmental Response	0.2	0.6	0.1	0.1	0.5
Fisheries and Oceans Science	—	—	—	—	—
Habitat Management and Environmental Science	—	—	—	—	—
Hydrography	—	—	—	—	—
Fisheries Management	—	—	—	—	—
Harbours	—	—	—	—	—
Fleet Management	—	2.0	—	—	2.1
Policy and Internal Services	1.1	1.8	0.8	0.8	2.8
Total Revenues Credited to the Vote	12.6	29.1	53.4	53.4	40.1

Table 7: Revenues Credited to the Consolidated Revenue Fund (CRF)

(millions of dollars) Business Line	Actual 1995-96*	Actual 1996-97*	Planned Revenues 1997-98*	Total Authorities 1997-98	Actual 1997-98
Marine Navigation Services	—	0.6	0.6	0.6	—
Marine Communications and Traffic Services	—	—	—	—	—
Icebreaking Operations	—	—	—	—	—
Rescue, Safety and Environmental Response	—	—	—	—	—
Fisheries and Oceans Science	—	0.1	0.1	0.1	0.6
Habitat Management and Environmental Science	—	—	—	—	—
Hydrography	1.7	2.3	2.2	2.2	2.7
Fisheries Management	27.5	44.1	50.1	50.1	48.4
Harbours	4.0	3.4	1.8	1.8	2.9
Fleet Management	—	—	—	—	—
Policy and Internal Services	0.4	0.2	0.2	0.2	0.1
Sub-total	33.6	50.7	55.0	55.0	54.7
Unplanned**	6.5	37.8	—	—	10.2
Total Revenues Credited to the CRF	40.1	88.5	55.0	55.0	64.9

* The Fish Product Inspection business line was transferred to the Canadian Food Inspection Agency effective April 1, 1997. For comparative purposes, this business line was excluded from the 1995-96 and 1996-97 actuals.

** The unplanned revenues credited to the Consolidated Revenue Fund in 1996-97 are mostly the result of the closure of the Fishing Vessel Insurance Program Account in the amount of $27.3 million.

Table 8: Statutory Payments

(millions of dollars) Business Line	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
Fisheries Management	—	—	0.2	0.2	—

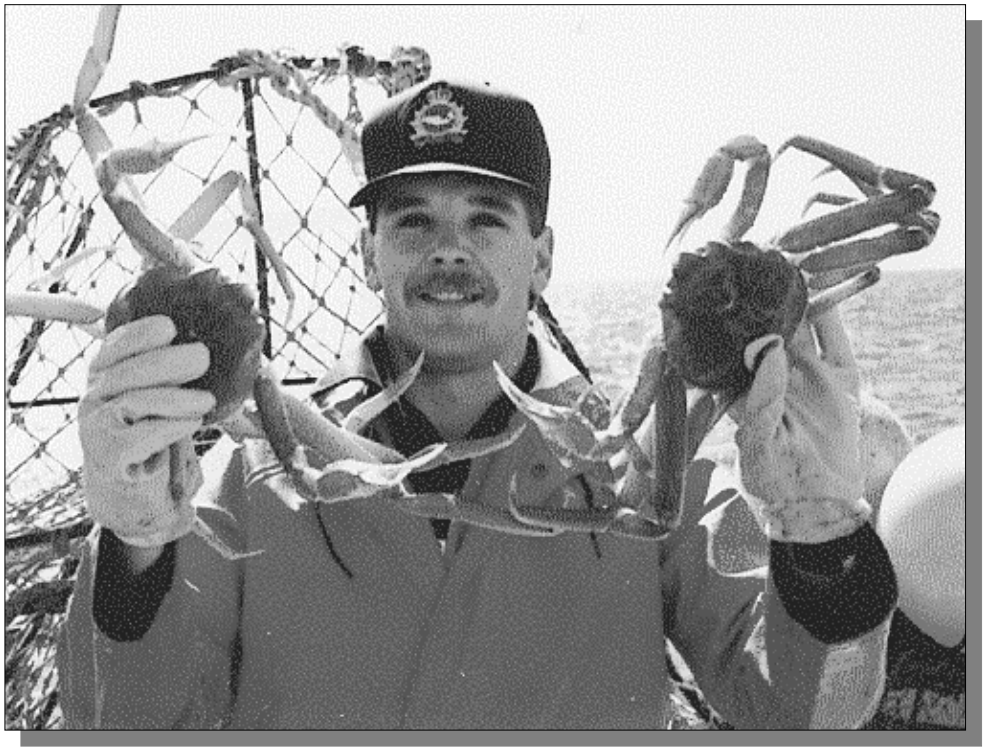
Table 9: Transfer Payments

(millions of dollars) Business Line	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
GRANTS					
Marine Navigation Services	—	—	—	—	—
Marine Communications and Traffic Services	—	—	—	—	—
Icebreaking Operations	—	—	—	—	—
Rescue, Safety and Environmental Response	—	—	—	—	—
Fisheries and Oceans Science	0.5	0.2	—	—	—
Habitat Management and Environmental Science	—	—	—	0.1	0.1
Hydrography	0.1	—	—	—	—
Fisheries Management	—	—	—	—	—
Harbours	—	—	—	—	—
Fleet Management	—	—	—	—	—
Policy and Internal Services	—	—	0.2	—	—
Total Grants	0.6	0.2	0.2	0.1	0.1
CONTRIBUTIONS					
Marine Navigation Services	—	—	—	—	—
Marine Communications and Traffic Services	—	—	—	—	—
Icebreaking Operations	—	—	—	—	—
Rescue, Safety and Environmental Response	1.6	1.5	1.7	2.7	2.6
Fisheries and Oceans Science	—	—	—	1.1	1.1
Habitat Management and Environmental Science	0.6	0.5	—	0.4	0.4
Hydrography	—	0.1	—	0.1	0.1
Fisheries Management	75.0	157.5	52.2	49.6	49.1
Harbours	1.0	0.1	—	0.1	0.1
Fleet Management	—	—	—	—	—
Policy and Internal Services	—	0.1	0.2	0.1	0.1
Total Contributions	78.2	159.8	54.1	54.1	53.5
Total Transfer Payments	78.8	160.0	54.3	54.2	53.6

Table 10: Capital Spending by Business Line

(millions of dollars) Business Line	Actual 1995-96*	Actual 1996-97*	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
Marine Navigation Services	40.9	13.8	23.2	21.5	16.7
Marine Communications and Traffic Services	13.4	7.3	11.8	10.9	9.5
Icebreaking Operations	—	—	—	—	—
Rescue, Safety and Environmental Response	7.6	—	4.6	—	0.7
Fisheries and Oceans Science	5.3	—	—	—	—
Habitat Management and Environmental Science	1.5	—	—	—	—
Hydrography	2.7	—	—	—	—
Fisheries Management	6.3	—	—	—	—
Harbours	21.8	20.3	12.0	11.6	16.7
Fleet Management	30.4	41.6	58.8	62.4	28.6
Policy and Internal Services	18.9	11.4	8.7	8.3	29.2
Total Capital Spending	148.8	94.4	119.1	114.7	101.4

* The Fish Product Inspection business line was transferred to the Canadian Food Inspection Agency effective April 1, 1997. For comparative purposes, this business line was excluded from the 1995-96 and 1996-97 actuals.



Managing the fishery resource

Table 11: Capital Projects over $1,000,000 by Business Line

(millions of dollars)

Business Line/ Province/ Project Description	Current Estimated Total Cost	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Author-ities 1997-98	Actual 1997-98
MARINE NAVIGATION SERVICES						
New Brunswick						
Urgent Repair of Brickwork — Saint John	2.6	—	—	1.7	1.7	0.7
Nova Scotia						
Restoration of Lock Gates — Canso Canal	3.8	—	0.2	—	1.8	0.2
Quebec						
Relocation of Air-Cushioned Vehicles — Trois-Rivières	3.6	1.5	1.8	0.1	0.1	0.1
Resurfacing of Roof — Québec	1.9	—	1.4	0.4	0.4	0.4
Ontario						
Southeast Bend Dredging — Lake St. Clair	2.0	—	0.9	0.9	0.9	1.1
British Columbia						
Paint and Grit Blast — Victoria Facility	2.1	—	0.2	—	—	1.7
Construction of Hovercraft Hangar and Apron — Sea Island Base	2.1	—	—	1.9	1.9	0.7
Multi-province						
Differential GPS Navigation Service Network	6.1	2.6	2.4	—	—	1.0
Solarization of Seasonal Buoys	3.7	1.2	0.6	1.1	1.1	1.0
Aids Inventory and Maintenance Management System	1.8	0.4	0.5	0.6	0.6	0.7
Implementation of 5-year Buoy Initiative	2.9	—	—	—	1.1	1.1
Lightstation Services Project — Technological Systems Demonstration	2.7	—	0.4	—	1.8	2.3
Marine Aids Modernization (Phase 1)	3.5	—	—	—	3.5	2.9
MARINE COMMUNICATIONS AND TRAFFIC SERVICES						
Quebec						
Vessel Traffic Information System — Québec	7.4	0.7	2.1	3.6	3.6	3.6
British Columbia						
Relocation of the Vancouver Marine Communications Traffic Services Centre	5.4	—	—	—	2.0	1.9
Microwave Replacement — West Vancouver Island	1.3	—	—	—	1.2	0.4
Multi-province						
Integration of Marine Communications and Traffic Services	8.1	2.3	3.6	2.0	2.0	2.4
Computer-Based Training for Marine Communications Traffic Services	1.2	0.2	0.7	—	0.2	0.1
Information System on Marine Navigation (INNAV) — National	3.5	—	0.3	—	0.5	0.4
HARBOURS						
Newfoundland						
Port de Grave — Harbour Redevelopment	5.9	—	1.9	1.5	1.5	1.5
Garnish — Wharf Reconstruction	1.1	0.3	0.3	0.5	0.5	0.5

Table 11: Capital Projects over $1,000,000 by Business Line (cont'd)

(millions of dollars)

Business Line/ Province/ Project Description	Current Estimated Total Cost	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Author-ities 1997-98	Actual 1997-98
Quebec						
Neuville Breakwater Construction	1.1	—	—	1.0	1.1	1.0
St-Godefroi Wharf Reconstruction	1.4	—	—	1.0	1.0	1.0
New Brunswick						
Caraquet Wharf Construction	0.9	—	0.5	0.4	0.5	0.4
FLEET MANAGEMENT						
Quebec						
Fleet Data Integration — Québec	2.3	0.6	0.7	0.9	0.9	0.5
Nova Scotia						
CCGS Louis St-Laurent — Replacement of Propellers	2.0	—	—	—	0.4	—
CCGS Cygnus — Refit	10.2	—	—	—	4.0	4.4
Headquarters						
Fleet Restructuring — 2 Air-Cushioned Vehicles	28.6	2.6	14.7	9.0	9.0	9.6
CCGS *Pierre Radisson* — Vessel Upgrade	4.0	1.0	1.2	1.7	1.7	1.0
LAN Renewal	1.2	0.2	0.1	0.2	0.2	0.2
Multi-province						
Expand Flag/Datahail System	2.8	—	0.6	2.4	2.4	1.5
Communications Security Equipment	2.6	0.1	0.3	1.3	1.3	0.2
Chart-Based Navigation Display System	6.1	—	1.6	2.8	2.8	2.1
Search and Rescue Lifeboat Replacement	46.5	3.9	5.1	17.2	17.2	4.3
Maintenance Management Information	7.9	—	—	—	0.5	0.1
Electronic Navigation Charts	2.7	—	—	—	0.7	0.1
POLICY AND INTERNAL SERVICES						
Newfoundland						
Northwest Atlantic Fisheries Centre — New High-Voltage Distribution System	1.2	—	—	0.1	0.1	—
Northwest Atlantic Fisheries Centre — Roof Replacement	1.6	—	—	0.2	0.2	1.1
New Brunswick						
Gulf Fisheries Centre – Upgrade	1.9	—	—	0.6	0.6	0.6
Quebec						
Maurice Lamontagne Institute — Roof and Skylight Repairs	3.1	—	—	0.5	0.5	0.7
Maurice Lamontagne Institute — Seal Reservoirs	1.1	—	—	0.3	0.3	0.3
Manitoba						
Freshwater Institute — CFC Removal	1.3	—	—	0.2	0.2	0.8
British Columbia						
Institute of Ocean Science — Wharf Fendering	1.4	—	—	0.8	0.8	0.2
Multi-province						
Common E-Mail and Network Infrastructure Project	7.6	—	—	—	7.6	7.6

Table 12: Status of Major Crown Projects

Not applicable to the Department of Fisheries and Oceans.

Table 13: Loans, Investments and Advances

(millions of dollars) Business Lines	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98*	Total Authorities 1997-98*	Actual 1997-98*
Fisheries Management					
Freshwater Fish Marketing Corporation	24.1	4.2	—	—	—
Total	24.1	4.2	—	—	—

* Authority to borrow externally was obtained.

Table 14: Revolving Fund Financial Statements

Not applicable to the Department of Fisheries and Oceans.

Table 15: Contingent Liabilities

As of March 31, 1998, contingent liabilities estimated at $37.2 million were outstanding against DFO:

- $0.2 million relates to guarantees approved by the Governor in Council for loans under the *Fisheries Improvement Loans Act*. No new loans were issued during the 1997-98 fiscal year. The reduction of $0.1 million in the Department's liabilities under this act is the result of repayments of loans to financial institutions by fishers.
- $37.0 million relates to some 24 individual cases of pending or threatened litigation. Most of these claims are for losses of income, injuries sustained by persons and damages to property. Eight cases were closed in 1997-98 and 3 new cases were added, decreasing contingent liabilities by $1.3 million.

In addition, the Department has contingent gains estimated at $43.1 million as of March 31, 1998, relating to three individual cases.

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

Section 5

Consolidated Reporting

5 Consolidated Reporting

5.1 Sustainable Development

Sustainable Development: A Framework for Action is DFO's strategy for integrating sustainable development into the way the Department does its business. Because of the importance being placed on this strategy and the supporting activities, the commitments form a major part of the 1998-99 Report on Plans and Priorities.

A fall 1998 performance measurement workshop will review the strategy's objectives and outputs with a view to putting in place a performance measurement regime for Sustainable Development. The intent of this session will be to ensure that responsibility for actions is confirmed and that targets, performance indicators and a measurement strategy for the action plan are put in place.

Goals

- Greening our operational activities and making green-smart decisions
- Understanding our oceans and freshwater ecosystems
- Managing and protecting our fisheries resources, maritime environment and aquatic resources
- Maintaining maritime safety
- Facilitating maritime trade, commerce and ocean development

There has been progress toward achieving most goals. Considerable progress has been made with respect to management of the environmental effects of DFO's own operations. An Operational Greening Plan was developed in December 1997 which recommended the establishment of an office to co-ordinate environmental management within the Department. In addition, environmental audits to assess environmental conditions were completed at DFO facilities, and an inventory and status report on DFO's environmental challenges was prepared. As part of this program, assessments of current environmental conditions at lighthouses were conducted, and remedial work was initiated at approximately 50 to improve environmental conditions. These have established an excellent starting point for environmental management.

Pilot projects were carried out at one Coast Guard Base and on one Coast Guard Ship to test the implementation of draft environmental protection procedure documents. The documents and pilot projects will help to advance sound environmental management practices within the Department.

Within Small Craft Harbours, an Environmental Management Program was developed to prepare an inventory of harbours. Inventories of the environmental conditions at 20 harbours were completed to determine the extent of potential environmental problems. Pilot environmental management systems were implemented at two harbours with a view to broader application to manage and minimize environmental effects from harbours on an ongoing basis. The environmental implications of 321 Small Craft Harbour projects were assessed in accordance with legal obligations under the *Canadian Environmental Assessment Act*.

Sustainable Development: A Framework for Action is available from the Communications Directorate, Fisheries and Oceans Canada, 200 Kent Street, Ottawa, Ontario K1A OE6, or through the departmental Internet site, http://www.ncr.dfo.ca.

5.2 Year 2000 Initiatives

There are almost 600 business applications in use throughout DFO on more than 8,000 workstations and file and database servers across all regions. Half of these applications are date critical, and they will still be in use at the turn of the century. There are another 13,000 assets, comprising vessels, facilities and electronic equipment such as communications, radar and laboratory equipment, which contain a significant number of embedded processors, many of which could be vulnerable to the Year 2000 embedded processor problem.

We have become increasingly aware that we will not be able to renovate all assets and systems that are vulnerable to the Year 2000 problem by the critical rollover dates. Treasury Board Secretariat, in consultation with the Department, has identified four Government Mission Critical business functions that are exposed to the Year 2000 issue. The four functions are search and rescue, emergency response activities, flood control and marine traffic safety. DFO also identified a further 16 Departmental Mission Critical business functions. Our efforts are being focused on resolving the issues on these mission critical lists, and on developing contingency plans to increase our confidence that service delivery will not be compromised.

Detailed project plans are being developed to ensure that the key priorities are being addressed and are properly resourced, and to permit close tracking of progress. We are in the process of assessing the impacts that the Year 2000 problem will have on our systems and assets. This work will be sufficiently advanced later this fall to allow us to identify the specific issues that will need to be addressed. We are concerned that an extensive amount of work remains to be done before our affected assets are renovated, and we are taking steps to accelerate the pace of this work by obtaining assistance from the private sector through the Mission Critical Systems contract.

Contingency plans for governmental and most of the departmental critical functions and asset categories are completed. The completion target of contingency plans is the end of October for the governmental assets, the end of December for departmental assets.

5.3 Regulatory Initiatives

Purpose of Legislative or Regulatory Initiative	Expected Results	Performance Measurement Criteria	Results Achieved
1. Fisheries Act			Not tabled.
2. Marine Navigation Services Fees This cost-recovery initiative was originally implemented in June 1996 under the authority of the FAA. As of July 1, 1997, these fees came under the authority of the *Oceans Act*.	**Short term:** In March 1997, the Minister announced that the fees proposed for 1997-98 would generate in the order of $26 million. **Long term:** Annual revenue of $26.7 million.	To be developed.	**Short term:** Annual revenue of $25.8 million in 1997-98.
3. Icebreaking Services Fees This cost-recovery initiative was originally intended to come under the authority of the FAA. However, when implemented later this year, the fees will come under the authority of the *Oceans Act*.	**Short term:** In March 1997, the Minister announced a deferral of fees for the 1997-98 year while Coast Guard continued to work with the commercial shipping industry to develop the new fee for implementation in 1998-99. **Long term:** Annual revenue of $13.3 million.	To be developed.	**Short term:** In June 1998, Coast Guard released a consultation document containing a fee proposal for implementation in December 1998.

Section 6

Other Information

6 Other Information

6.1 Contacts for Further Information

Region	Name	Telephone
Newfoundland	Lily Abbass	(709) 772-4328
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Pacific	Athana Mentzelopoulos	(604) 666-0470
Headquarters	Jo-Anne Brisebois	(613) 990-0219

Internet address:
http://www.ncr.dfo.ca

6.2 Legislation Administered by Fisheries and Oceans

Atlantic Fisheries Restructuring Act	R.S., 1985, c. A-14
*Canada Shipping Act**	R.S., 1985, c. S-9
Coastal Fisheries Protection Act	R.S., 1985, c. C-33
Department of Fisheries and Oceans Act	R.S., 1985, c. F-15
Fish Inspection Act	R.S., 1985, c. F-12
Fisheries Act	R.S., 1985, c. F-14
Fisheries Development Act	R.S., 1985, c. F-21
Fisheries Improvement Loans Act	R.S., 1985, c. F-22
Fisheries Prices Support Act	R.S., 1985, c. F-23
Fishing and Recreational Harbours Act	R.S., 1985, c. F-24
Freshwater Fish Marketing Act	R.S., 1985, c. F-13
Great Lakes Fisheries Convention Act	R.S., 1985, c. F-17
*Navigable Waters Protection Act**	R.S., 1985, c. N-22
Oceans Act	S.C., 1996, c. C-31

* The Minister of Fisheries and Oceans shares responsibility to Parliament with the Minister of Transport Canada.

6.3 Statutory Reports

Parliament requires that the following reports be tabled annually:

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

Section 7

Exceptional Employee Performance

7 Exceptional Employee Performance

Deputy Minister Wayne Wouters presenting the CONWAY Medal to this year's winner, Shannon Pittman

On June 6, 1998, during this year's Canadian Coast Guard College graduation ceremonies, Deputy Minister Wayne Wouters presented the CONWAY Medal to Shannon Pittman. The CONWAY Medal is the highest award that a Canadian Coast Guard College Officer Cadet Graduate can achieve.

Since 1979, this medal has been awarded annually to the graduate of the Canadian Coast Guard College who, in the opinion of the academic staff, Officer Cadet Graduates and Undergraduates, best meets the standards of this prestigious award.

Shannon Pittman has been posted to the Newfoundland Region as a Navigation Officer.

The CONWAY Medal

The origins of this medal date from August 18, 1859, when Her Majesty's ship CONWAY was inaugurated as a training ship for cadets intending to serve at sea as officers in the British Merchant Navy. Starting in 1866, a gold medal was awarded annually to encourage the cadets to acquire and maintain the qualities of fine sailors. In 1974, other arrangements for training British Merchant Navy officers were made, and the CONWAY School was closed.

Wishing to continue the tradition, Her Majesty Queen Elizabeth II has created for the Canadian Coast Guard College the Queen's CONWAY Medal. The purpose of the prize is to encourage Officer Cadets to acquire and maintain the qualities that make the finest officers:

> *"These consist of cheerful acceptance of direction, self-respect and independence of character, kindness and protection of the weak, readiness to forgive offence, desire to conciliate the differences* of *others, and, above all, fearless devotion to duty, and unflinching truthfulness."*

Section 8

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