



Fall 2016

Reports of the Commissioner of the Environment and Sustainable Development

The Commissioner's Perspective



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

OAG

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To the Honourable Speakers of the House of Commons and the Senate:

On behalf of the Auditor General of Canada, I have the honour to transmit herewith these 2016 Fall reports, which are to be laid before the House and the Senate, in accordance with subsection 23(5) of the *Auditor General Act*.

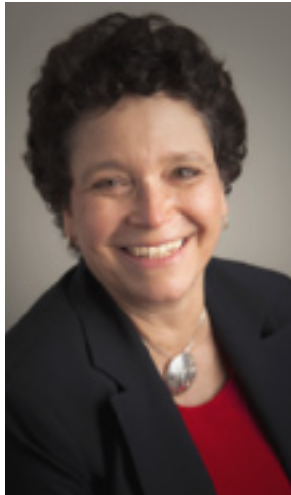
Yours sincerely,

A handwritten signature in black ink, reading "Julie Gelfand".

Julie Gelfand
Commissioner of the Environment
and Sustainable Development

OTTAWA, 4 October 2016

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Julie Gelfand
Commissioner of the Environment
and Sustainable Development

Federal efforts to achieve the 2030 Agenda for Sustainable Development

It has been just over a year since the United Nations and its 193 member states, including Canada, met in New York City to unanimously adopt the 2030 Agenda for Sustainable Development. The 2030 Agenda is expressed in 17 [Sustainable Development Goals](#) (SDGs) and 169 associated targets aimed at ending extreme poverty and hunger, protecting the biodiversity and ecosystems of the planet, and ensuring peace and prosperity for all.

The SDGs and their associated targets encompass all three pillars of sustainable development: social, economic, and environmental. This broader perspective is necessary to truly move toward sustainability, on a world scale, for present and future generations.

As the steward of the world's second-largest land mass and longest coastline, Canada, and in particular the federal government, plays an important role in making the SDGs a reality.

Under the *Auditor General Act*, the Commissioner of the Environment and Sustainable Development is required to monitor and report to Parliament on federal departments' and agencies' progress toward sustainable development. In future reports, we plan to examine commitments made by the Government of Canada, domestically and internationally, against the 2030 Agenda's 17 goals and 169 targets, and the architecture supporting their implementation. This is in line with discussions currently under way in the international audit community.

Review of the draft 2016–2019 Federal Sustainable Development Strategy

This year, in our [Review and Comments](#) on the draft [2016–2019 Federal Sustainable Development Strategy](#) (FSDS), we were pleased to note that goals were linked to the SDGs, and that the draft FSDS addressed important issues that reflected some of the environmental challenges facing Canadians. However, the draft FSDS was silent on the 169 targets associated with the SDGs. With a focus that is primarily environmental, it is clear that much more work is needed to fulfill the FSDS's full potential. The FSDS needs to more fully address the *sustainable development* challenges facing Canadians. We have encouraged the Government of Canada to consider how these targets could be integrated into the final FSDS.

In its report titled [Federal Sustainability for Future Generations—A Report Following an Assessment of the *Federal Sustainable Development Act*](#) issued in June 2016, the House of Commons Standing Committee on Environment and Sustainable Development states, “If Canada is to take the bold and transformative steps that the government committed to in 2015 to put us on a path to sustainable development—including meeting our climate change commitments—it is clear that a better FSDS is required.” I am pleased that this report calls for several changes to the *Federal Sustainable Development Act*, including the move to a whole-of-government approach, which would see more committees and departments involved in the FSDS, and the referral of my reports to more parliamentary committees, in addition to the Standing Committee on Environment and Sustainable Development.

Threats to Canadian and global fish stocks

According to the Food and Agriculture Organization of the United Nations, more than 30 percent of the world’s fish stocks are likely being exploited at an unsustainable rate. Efficient fishing methods have made it easier to overfish. Warmer and more acidic oceans associated with climate change are also having an impact on the health of marine ecosystems.

With Canadian fish and seafood exports worth \$6 billion in 2015, it is critically important to manage fish stocks sustainably. Approximately 600 Canadian communities depend on fishing or seafood processing industries for their livelihoods, and many Indigenous communities rely on fish for food and for social, ceremonial, and commercial purposes.

Planning is key to ensuring the sustainability of fish stocks for present and future generations. Our audit found that Fisheries and Oceans Canada had Integrated Fisheries Management Plans for 110 of 154 major fish stocks—including those with the greatest economic value. However, for the remaining 44, the Department had no plans for 26 stocks, and plans for 18 stocks were out of date, with no timeline for completion. In addition, for 12 of the 15 major fish stocks identified in the critical zone and requiring rebuilding plans, the Department did not have plans or timelines.

Our audit also found that Fisheries and Oceans Canada was missing key information on the amount of fish in the ocean and fish caught. Current and reliable information is needed for the Department to manage Canadian fisheries in a manner that supports conservation and sustainable use, and fosters economic prosperity for those who depend on fisheries for their livelihoods.

Managing the risks of nuclear energy

There are four nuclear power plants operating in Canada. The Canadian Nuclear Safety Commission (CNSC) regulates the use of nuclear energy and materials under the *Nuclear Safety and Control Act*. The CNSC does this so that the environment and the health, safety, and security of Canadians are protected, and Canada's international commitments on the peaceful use of nuclear energy are implemented.

Nuclear power is an important source of energy, and one that carries risks that must be well managed. Site inspections are one of the key verification tools used by the CNSC to assure Canadians that nuclear power plants perform safely and comply with regulatory requirements and licence conditions. We found that the CNSC could not show that it had adequate, systematic, risk-informed processes for planning site inspections at nuclear power plants. To assure Canadians about the safety of nuclear power plants, the CNSC must be able to show that it carries out the appropriate number and types of site inspections, and that it follows its own procedures when doing so.

Strategic environmental assessment practices

Continuing the yearly reviews of selected departments and agencies we began in 2013, we examined the progress of the Department of Justice Canada, National Defence, Parks Canada, Public Services and Procurement Canada, and Veterans Affairs Canada in implementing strategic environmental assessments of the programs and policies they submitted for ministerial and Cabinet approval.

In keeping with our past reports, we found that the Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals was not being applied to most policy, plan, and program proposals submitted to ministers and Cabinet for approval. Parks Canada was the only exception.

To make informed decisions, ministers need to receive complete information on the potential important environmental impacts of the proposals submitted for their approval. This includes whether proposed policies, plans, and programs support and are consistent with the goals and targets set out in the Federal Sustainable Development Strategy.

Government departments and agencies have to consider the environmental impacts of their decisions, and now we know it can be done. Parks Canada provides a good example for other government departments and agencies to follow.

Conclusion

In these Fall 2016 reports, we note encouraging progress overall at the federal level—particularly with respect to the Federal Sustainable Development Strategy. However, we also found concerning gaps and weaknesses within individual departments and agencies. These reports show how important it is for federal departments and agencies to remain focused on moving toward sustainable development.

Canada has 14 years to do its part to achieve the SDGs it committed to in 2015, along with 192 other states. The Office of the Auditor General of Canada will continue to play its role of supporting the federal government's efforts to achieve the 2030 Agenda for Sustainable Development. The Office will work to develop an approach to auditing progress under the 2030 Agenda, monitor the progress of departments and agencies toward sustainable development, and report to Parliament on whether government institutions are effective, accountable, and transparent.

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