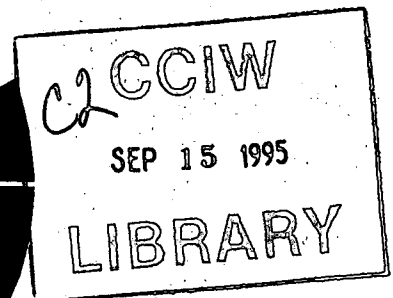
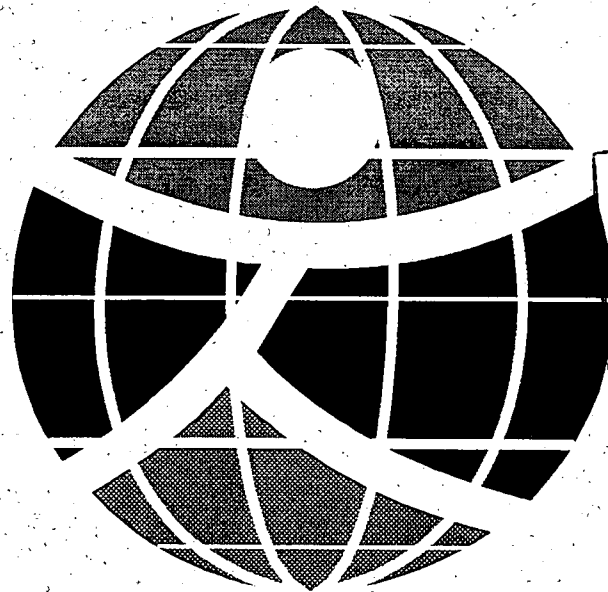


June 1995

ENVIRONMENT CANADA
STRATEGIC OUTLOOK
1995/96 TO 1997/98



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1. MINISTER'S MESSAGE

I am pleased to introduce Environment Canada's Strategic Outlook for the period 1995 to 1998. The challenge is to position the department to meet evolving environmental concerns, while continuing to provide quality services despite severe budgetary constraints. Over the past 18 months, we have put in place what I believe to be a very strong foundation for environmental progress over the rest of the decade and beyond.

This Strategic Outlook builds on that progress by outlining key commitments and actions for the next three years, and describes plans for the transition to a more modern, affordable department. I am confident that Environment Canada can both minimize health and safety risks, and contribute to a competitive economy, by focusing clearly on providing international and national leadership on key environmental issues, and by maintaining strong science and enforcement capabilities.

2. KEEPING THE PROMISES IN THE RED BOOK

The environment and sustainable development are major government priorities. **The Red Book** devotes one of eight chapters entirely to these topics. During the past 18 months, the Government has moved to implement the vast majority of its commitments, for example:

- The *Canadian Environmental Assessment Act* has been proclaimed, and the government has established an independent Canadian Environmental Assessment Agency.
- As a direct result of Canadian interventions, Canada, the United States and Mexico have created the *North American Commission on Environmental Cooperation* to monitor and report on the environmental impacts of NAFTA.
- The government has introduced legislation creating an *Office of the Commissioner for the Environment and Sustainable Development*. Each federal department is working to prepare Sustainable Development Strategies, including plans for the greening of their operations and policies, against which the Commissioner will report to Parliament.
- The Minister of the Environment has renewed agreements to clean up the Great Lakes and the St. Lawrence River, and to protect habitat under the North American Waterfowl Management Plan.
- The Parliamentary Committee on the Environment and Sustainable Development is completing, with substantial support from Environment Canada, its review of the *Canadian Environmental Protection Act* (CEPA), in order to recommend how to make it more effective.

- Canada has advanced the international dialogue on climate change. At the Berlin Conference, Canada helped broker a consensus on scientific understanding and an emissions protocol for developed countries, as well as on the implementation of pilot projects for the sharing of green technologies.
- At the Berlin Conference, Canada also tabled a *National Action Program on Climate Change*, and under a National Voluntary Challenge Program, cities across Canada are working towards a 20 % reduction in greenhouse gas emissions by the year 2005.
- *The Canadian Environmental Industries Strategy* was launched in September of 1994. It will foster the growth of Canada's emerging environmental industry.
- Contributing to the 1995 budget process, the government completed a comprehensive study of barriers and disincentives to sound environmental practices, such as the federal tax structure, grants and subsidies.
- Parliament has passed amendments to the *Migratory Birds Convention Act* and the *Canada Wildlife Act* to provide for increased fines, and streamlined enforcement and administrative procedures.
- Environment Canada has published the first *National Pollutants Release Inventory*, to permit sources of pollution to be more readily identified for enforcement action and to help track progress toward sustainable development.
- The government has moved, through CEPA regulations to accelerate phasing out of ozone-depleting CFCs and methyl chloroform.
- Environment Canada is designing and will shortly implement a new "Action 21" campaign to promote sustainable development at the community level.
- The *Manganese Based Fuel Additives Act* has been introduced in Parliament. The bill will prohibit the interprovincial trade and import, for commercial purposes, of MMT and gasoline containing MMT. It will ensure that the most up-to-date equipment used to reduce air pollution will not be jeopardized by components in the fuel.
- A *Canadian Biodiversity Strategy* has been negotiated, and is presently before the all provincial and territorial governments for final approval. It will be tabled at the Conference (COP II) of Parties to the Convention on Biological Diversity in November.

These accomplishments provide a sound foundation for further progress in protecting and extending the environmental interests of Canadians over the remainder of the decade and beyond.

3. MAINTAINING THE MOMENTUM: ENVIRONMENT CANADA'S PRIORITIES AND DIRECTIONS DURING THE NEXT THREE YEARS

Sustainable development is everyone's business - it is a priority that is being integrated into the mandates of many agencies at all levels of government, and in the private sector. Environment Canada is a science-based department whose over-riding priority is to make sustainable development a reality in Canada, by giving Canadians the information, tools, rules and guidance they need to make environmentally responsible decisions. It makes those contributions through three primary business lines: reducing risks to human health and the environment; providing weather forecasts and warnings, and emergency preparedness services; and giving Canadians the tools to build a greener society.

3.1 Reducing Risks to Human Health and to the Environment

This business line addresses the concerns people have about the water they drink, the air they breath, and the food they eat. The department contributes to sustainability and reducing risk by: developing national strategies and standards; ensuring that those strategies and standards are vigorously applied; and taking a leadership role in the international community.

Our commitments to Canadians are:

- We will reduce the negative impacts that humans have on the atmosphere, and help Canadians better understand and adapt to the consequences of these impacts.
- We will protect the environment by controlling, and in some cases eliminating the use of toxic substances and hazardous wastes.
- We will enhance the protection of Canada's environment by promoting, and getting, compliance with our laws and regulations.
- We will promote Canadian and global biodiversity by ensuring that biological resources are used sustainably.
- We will preserve and protect Canada's ecosystems through strategic partnerships.

In meeting these commitments, Environment Canada must consider both progress achieved and what remains to be done at different levels and in relation to different environmental media, such as air, water, and land. On the international scene, countries are working together on conventional pollution issues such as international transportation of toxic substances. But the overall state of the global environment continues to decline, with serious threats of resource depletion, loss of immense areas of habitat, and increased risk of skin cancer.

Canada is meeting its global obligations, but still has a long way to go in some key areas and in comparison with some other developed countries. For example, Canada is reaching its

domestic emission reduction targets for some air pollutants, and urban air quality is improving. However, Canada remains one of the top per capita emitters for some other air pollutants, and even as air quality increases, the incidence of debilitating respiratory diseases like asthma continues to rise.

Our water quality and quantity are adequate for most purposes, but some serious problems remain. For example, toxic chemicals challenge the ingenuity of pollution control authorities. Assigning responsibility for non-point sources of pollution in streams, rivers and lakes remains difficult. There is growing concern about the long-term effects of exposure to trace amounts of persistent toxic substances. Industries and individuals are beginning to reduce their amounts of solid waste through reduction and recycling. But by international standards, Canada's rate of waste generation per capita is still very high.

Here is a review of the major actions Environment Canada will take to reduce risks to Canadians and to their environment during the next three years.

- Environment Canada will exercise *leadership* by pressing strongly toward acceptance of actions to meet Canada's *international* commitments related to climate change and biodiversity.
- Working with its partners, Environment Canada will complete and implement new strategies for managing toxic substances, preventing pollution, and reducing acid rain. In this context, the department will recommend national standards and more *vigorous enforcement* of existing regulations, new regulations and/or economic tools within its jurisdiction to accelerate the pace of change. It will also work with its partners in major ecosystems like the Great Lakes and St. Lawrence River to prevent pollution by toxic substances.
- Environment Canada will *advance the national agenda* by responding constructively to the Standing Committee Review of the Canadian Environmental Protection Act, and introducing legislation to conserve endangered species;
- Environment Canada's major scientific activities will give priority to *long-term and serious risks*, chiefly loss of species, climate change, persistent organic toxic substances that bioaccumulate in living creatures and plants, and the loss of the capacity of the environment to regenerate itself.
- Working with *regions and communities on the ground*, Environment Canada will reduce risks to the environment and human health in major ecosystems by:
 - completing 13 environmental quality assessments in Atlantic Canada;
 - finalizing 17 Great Lakes remedial action plans;
 - identifying and defining the characteristics of effluents from 39 targeted plants in the St. Lawrence basin;
 - completing the Northern (Alberta) Rivers study;

- reducing persistent toxic substances and assessing the health of the aquatic ecosystem in up to 20 reaches of the Fraser River Basin.

3.2 Providing Weather Forecasts and Warnings, and Emergency Preparedness Services

This business line addresses challenges posed by severe weather and environmental emergencies. These services help minimize risks to health and property and contribute significantly to economic prosperity, through the provision of timely weather and environmental warnings, and by reducing the impact of environmental emergencies.

Our commitments to Canadians are:

- We will advise and protect Canadians by providing accurate and timely weather forecasts and warnings.
- We will protect Canadians by reducing the frequency and severity of human-induced environmental emergencies.

Environment Canada's weather and environmental information and warnings are a very visible part of the everyday lives of Canadians, and have matured considerably over the past two decades. The accuracy of weather forecasting has improved, particularly in the two-to-five day range, thanks mainly to better atmospheric models and supercomputer power. Current 2-1/2 day predictions are now as accurate as the 1-1/2 day predictions were in the mid-1980s.

As a result, meteorologists can now invest their reduced resources on forecasting significant weather, including severe weather events, while automated systems produce routine weather forecasts and products. Improvements in dissemination technology will permit the department to phase out approximately 56 local weather offices. In addition, we are creating specialized weather service products to meet client expectations and to increase commercial revenues. The key strategy here is to modernize and rationalize weather services. The pace of modernization will be carefully monitored to ensure that timely warnings to Canadians are not jeopardized. The development of standards of service in collaboration with key clients will ensure that Environment Canada products meet their needs.

Environmental emergencies involve accidental releases into air, land, or water, which may cause adverse effects on human health or the environment. There are more than 20,000 spills of varying degrees of severity reported annually in Canada. While various response measures are in place, we may be unable to respond effectively to simultaneous or large-scale emergencies.

In future, Environment Canada will concentrate its emergency response efforts on vigorously promoting pollution prevention as the most effective means of reducing the risks arising from chemical spills, oil spills, and other emergencies. It will promote international policies and standards for emergency preparedness.

A few of the actions Environment Canada will take in this area over the next three years include:

- The production and delivery of weather warnings and forecasts will be consolidated into *17 Eco-Action offices* across Canada. These offices will provide a community focus for many Environment Canada services and will be important points of contact with the public. 56 local weather offices will be phased out.
- The weather warning alert system will be expanded by adding *11 Weatheradio and 6 Weathercopy transmitters*. With these additions, more than 75 % of the Canadian population will be within reach of Weathercopy and 95 % will be within the reach of Weatheradio.
- Weather observing networks and systems will be optimized by automating, choosing more effective observing strategies and seeking out new data sources. 50 new *automated observing systems* will be deployed. However, in the area of aviation transportation, autostations will not displace human observers until it is clear that safety considerations are adequately dealt with.
- *International policy and standards for environmental emergency prevention and preparedness* will be advanced through the Arctic Environmental Protection Strategy, the International Maritime Organization, UN Committees and OECD groups.

3.3 Giving Canadians The Tools to Build a Greener Society

All Canadians are environmental decision-makers, and all require sound information and advice in sustaining the environment. The department meets that need by providing educational and information services to Canadians; forming partnerships between governments and industry; and getting economic and environmental considerations to go hand-in-hand so that economic development is both environmentally sensitive and fosters the emergence of Canada's nascent environmental industries.

Our commitments to Canadians are:

- We will help Canadians integrate environmental thinking into daily decisions.
- We will give Canadian citizens and businesses the tools to prevent pollution and develop green technologies and know-how that make good environmental and economic sense.
- We will build partnerships and agreements with businesses and government; partnerships which improve our environmental actions and agreements which eliminate duplication and overlap.

Environment Canada has an established role as a trusted source of environmental data and information, and is the initiator within Canada of the use of environmental indicators to help answer basic questions about whether the environment is getting better or worse.

Advances in technology are facilitating changes in the department's management and distribution of information and advice. Environment Canada is starting to increase its presence in corporate board rooms, communities, and individual homes by providing more accessible information to decision-makers and citizens by electronic and other means (Green Lane), based on users' definitions of their needs.

Beyond information and advice, it is often necessary to bridge the gap between knowledge and action by providing tools, techniques and technologies to guide and direct action. Examples include environmental assessment, partnerships with environmental industries, community-based partnerships, and frameworks to minimize duplication of effort.

Finally, environmental and economic policy directions can be brought into line through a variety of international and domestic forums and means. These include: the North American Commission on Environmental Cooperation, the Organization for Economic Cooperation and Development, and the Canadian Council of Ministers of Environment.

Environment Canada also leads with the department of Finance the work of multi-stakeholder groups in advising on economic instruments and barriers to sound environmental practices. It co-chairs with Treasury Board the Environmental Accountability Partnership which guides other departments on environmental aspects of their programs and operations.

During the planning period:

- Environment Canada will *foster additional green technologies* within the federal government and encourage their wider use in the private sector and in other countries, creating new export and environmental opportunities at the same time.
- Working with environmental industry groups, Environment Canada will *expand economic opportunity* by finalizing a national certification program for environmental industries. It will support faster commercialization of numerous environmental technologies, many of which have already been tested and readied for market.
- The department is working to *eliminate unnecessary federal-provincial duplication and overlap*, focusing clearly on those areas where the federal government is best suited to deliver programs.
- Environment Canada will work actively with other departments and agencies to *get our house in order*, by providing guidance in greening operations to all federal departments and helping them to accelerate preparation of their Sustainable Development Strategies.
- The department will *reach out to Canadians* even more aggressively in order to encourage them to make the environment an important part of their daily decisions. It will complete the 1996 State-of-the-Environment Report on time, move forward with electronic reporting, launch community-based activities to advance public awareness and involvement (Action 21), and establish 17 one-stop Eco-Action Offices to provide Canadians with comprehensive environmental information.

- Environment Canada will *commercialize* activities which can more appropriately be delivered by the private sector, beginning with the Environmental Choice Program and technologies such as the Microwave Assisted Process (MAP).

4. BEING EFFECTIVE WITH SUBSTANTIALLY LESS RESOURCES: PROGRAM REVIEW AND ORGANIZATIONAL RENEWAL

The foregoing ambitious program is being mounted through more focused use of the resources which remain to Environment Canada, and is not without certain risks. It will demand high standards of performance in the midst of dramatic staff reductions (over 1,400 people) and the loss of some key programs. Program Review and related budget cuts will result in a reduction in the Environment Canada budget of about \$230 million (over 30 %) between 1994/95 and 1997/98 (see Table 1).

By 1997/98, total expenditures will be about the same magnitude as they were a decade earlier. However, the department will be devoting larger expenditures to address risks to Canadian health and environment, and less to weather services, where the potential for savings through technology is greater.

Environment Canada's strategies in conducting its Program Review included:

1. Focusing on its *core responsibilities*, the department will either end or reduce expenditures in areas more appropriately handled by others. Federal-provincial negotiations will minimize duplication, and will contribute to stable and predictable regulatory management. The department will *maintain its science capabilities*, and build partnerships with the private sector and other government agencies.
2. Environment Canada will make major savings through the *consolidation and modernization of weather services*.
3. Environment Canada will also obtain both savings and additional revenues through *commercialization of products and services* to industry clients on a user-pay basis.
4. The department will introduce *innovative ways to reach out to Canadians*, including the "Green Lane" of the "Information Highway", Eco-Action Offices, additional Weathercopy, Weatherfax and Weatheradio sites, and a new Action 21 initiative in communities.
5. *Grants and contributions*, especially to organizations with the potential of becoming self-sufficient, *will be reduced* over time, but continued to others providing a service on behalf of the department, such as the Canadian Environmental Network. In other cases, they will become more focused, for example by coordinating support to universities and community-based initiatives.

6. In addition, we will be reshaping the mix of *human resources and skills* to meet the new challenges. In doing so, we will utilize a range of approaches to increase flexibility and adaptability including retraining, job-sharing and flexible working hours.

5. MEASURING ENVIRONMENT CANADA'S VALUE ADDED

In its 1995-98 Business Plan, the department has developed a comprehensive framework of results it will achieve, and the actions it will be accountable for over the next three years. In addition to defining actions, the department is also in the process of developing improved indicators of its performance and service standards in relation to client needs and to sustaining the integrity of the environment. We will provide indicators that demonstrate environmental results and the quality and level of services to clients, including:

- comparing trends in environmental quality between Canada and other industrial countries, including indicators of environment-related incidence of health problems, e.g., respiratory diseases, genetic deformities, certain cancers;
- measuring the timeliness and accuracy of environmental risk assessments, weather, and emergency-related warnings;
- assessing the efficiency and cost-effectiveness of our regulatory approval and environmental assessment processes;
- measuring public awareness of, and satisfaction with, Environment Canada's roles, responsibilities, and tangible services; and
- measuring the success of sustainable development practices with respect to renewable resource stocks and energy use.

TABLE 1

Business Line	1994/95 \$ Millions	1997/98 \$ Millions	Percentage Shift
Reducing Risks to Human Health and to the Environment			
. Atmospheric Change	53.9	41.3	-23.4%
. Toxics*	74.4	38.3	-48.5%
. Enforcement	13.1	13.1	0.0%
. Biodiversity/Wildlife	39.3	33.3	-15.2%
. Preserving Ecosystems	133.9	72.3	-46.0%
Weather Forecasts and Warnings and Emergency Preparedness Services			
. Weather Warnings	142.8	102.5	-28.3%
. Emergency Preparedness	10.1	6.3	-37.9%
Giving Canadians the Tools to Build a Greener Society			
. Information Products and Services	33.9	14.0	-58.8%
. Technologies and Know-how	84.8	54.2	-36.1%
. Partnerships	16.2	16.2	0.0%
Departmental Items			
. Program Infrastructure not Allocated to Service and Business Lines **	15.0	19.0	+26.7%
Administration ***			
. Administration	68.5	51.9	-24.3%
. Employee Benefit Plans	39.5	33.0	-16.3%
Total	725.6	495.4	-31.7%

There may be discrepancies due to rounding.

- * Most of the reduction in the toxics category can be attributed to previously planned sunseting of the contaminated sites clean-up and PCB destruction activities. Without these two items, the reduction in toxics is in the order of 20%.
- ** Unallocated items include, for example, IT infrastructure renewal, replacement of financial systems, educational leave and skills training, and a translation envelope.
- *** About 15% of the department's budget lies outside the primary business lines. Of that amount, about 10% covers areas like finance and administration, informatics, legal services, human resources, and corporate and regional management.