Fisheries and Oceans Canada

Departmental Performance Report

For the period ending
March 31, 2005

Approved by

The Honourable Geoff Regan, P.C., M.P.
Minister of Fisheries and Oceans

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A message from Canada's Minister of Fisheries and Oceans

As Canada's Minister of Fisheries and Oceans, it gives me great pleasure to present Fisheries and Oceans Canada's *Departmental Performance Report* for 2004–2005.

The Department of Fisheries and Oceans (DFO) provides a range of programs and services throughout the country. This includes managing our fisheries in a sustainable manner, providing maritime safety and security services, and conserving and protecting fish habitat. We also take the steps necessary to keep our harbours safe and accessible, and we carry out research and related activities that are vital to the sustainable management of Canada's oceans and aquatic resources.

Over the past year, we have continued to provide these programs and services, while finding new and better ways to make them more effective, and more in line with Canadians' needs.

In 2004-2005, we launched the first phase of Canada's Oceans Action Plan. The Oceans Action Plan is a government-wide blueprint to maximize the many opportunities our oceans offer, while increasing our efforts to manage them sustainably, in partnership with Canadians. As part of this initiative, I announced that Canada is creating a network of Marine Protected Areas to protect our most fragile marine ecosystems. This network, along with the Plan's many other initiatives, proves that we can strike a balance between the great opportunities our oceans hold and our responsibility to protect them.

We also continued our work to develop a competitive and sustainable aquaculture industry. Through the National Aquatic Animal Health Program and our work with the provinces and territories to develop an Aquaculture Framework Agreement, we are well on our way to building an aquaculture industry of which all Canadians can be proud.

In the past year, we continued our efforts to modernize the Habitat Management Program to make it more effective, efficient and relevant to Canadians. This involved developing a risk management framework that focuses our efforts on regulating activities with the greatest impact on fish and fish habitat. These and other initiatives involving our key stakeholders will help us make decisions in a more transparent, predictable and timely manner and better conserve and protect fish habitat.

We moved forward on the renewal of our Science Program, seeking to improve the alignment of our science work with the strategic directions of the Department, the federal government and the priorities of Canadians. As part of this renewal, the ecosystem approach to the management of our fisheries is supported by multi-species assessments and more collaborative efforts with resource users, including commercial, Aboriginal, inland and recreational fishers, to assess the status of individual fish stocks. This and other renewal initiatives will ensure resources are focused on the science needed for the Oceans Action Plan and other key priorities. DFO scientists continue to work with industry to build its capacity to take on more monitoring and assessment capabilities.

Regarding fisheries management, we released a new policy framework for the management of the Atlantic fisheries, developed a blueprint to reform Pacific fisheries and engaged in an initiative called Fisheries Management Renewal. Our goal is to build strong, sustainable fisheries — on both coasts, for non-Aboriginal and Aboriginal fishers alike — while bringing a renewed sense of stability and predictability to the industry, and working with all stakeholders through co-management strategies to achieve these goals.

While we can do much within the current regime, legislative change — changes to the *Fisheries Act*, for instance — would provide important tools to assist us. I am committed to modernizing this 137-year old piece of legislation. I look forward to working with all Canadians to build an effective and modern fisheries management regime.

In the past year, we also made a number of changes within the Department that will help us improve service delivery and achieve our corporate vision and mandate.

For example, on April 1, 2005, the Canadian Coast Guard (CCG) became a Special Operating Agency within the Department. This change will allow CCG to focus on providing essential services to mariners in Canadian waters. With its new status, CCG received increased management flexibility in different areas, including contracting for oil-spill clean-ups and respending revenues related to oil spills.

In February 2005, we released our renewed Strategic Plan, *Our Waters, Our Future.* The Plan provides broad direction on how DFO will move forward in the next five years. It also articulates a renewed departmental vision, confirms a revised mission based on three new strategic outcomes (healthy and productive aquatic ecosystems, sustainable fisheries and aquaculture, and safe and accessible waterways) and provides a framework of corporate objectives and strategic priorities.

The Department continues to work toward modernizing the delivery of its core programs to balance commitments with available resources. This will involve many challenges as the Department realigns its activities and implements Expenditure Review Committee initiatives, many of which have added to the pressures on our human and financial resources. Funding received in 2005-2006 will help the Department move forward and assist in addressing funding pressures.

Through this work, and our ongoing commitment to matching our resources to the needs of Canadians, my department will continue working with Canadians to strengthen our fisheries and oceans, and ensure that these precious resources continue making an important contribution to Canadian life.

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The Honourable Geoff Regan, P.C., M.P.
Minister of Fisheries and Oceans

Management representation statement

I submit, for tabling in Parliament, the *2004-2005 Departmental Performance Report* (DPR) for Fisheries and Oceans Canada.

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the Preparation of 2004-2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements.
- It uses an approved Business Lines structure.
- It presents consistent, comprehensive, balanced and accurate information.
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it.
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

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Larry Murray
Deputy Minister

Summary information

Mandate

On behalf of the Government of Canada, DFO is responsible for developing and implementing policies and programs in support of Canada's scientific, ecological, social and economic interests in oceans and fresh waters.

The Department's guiding legislation includes the *Oceans Act* and the *Fisheries Act*. The Department is also one of the three departments responsible for the *Species at Risk Act*.

Vision

Excellence in service to Canadians
to ensure the sustainable development
and safe use of Canadian waters.

In pursuit of the above mandate, DFO is committed to five strategic outcomes — the long-term and enduring benefits that Canadians derive from the Department's vision and efforts. The following table sets out these five strategic outcomes.

Strategic Outcome	Description
Management and protection of fisheries resources 	The goal is to conserve Canada's fisheries resources to ensure that they are used sustainably in a self-reliant fishery. In pursuit of this goal, the important contributions of the provinces and territories must be recognized. The Department must also manage fisheries resources in a manner consistent with the constitutional protection provided to Aboriginal and treaty rights. As well, it is essential that effective international arrangements be in place that will prevent foreign overfishing and safeguard resources under international treaties.
Protection of the marine and freshwater environment 	DFO's goal is to protect marine and freshwater environments and ecosystems and, thus, to support fisheries, ecotourism, recreational boating and other sustainable uses. To achieve this goal, the Department must take a proactive, coherent, results-oriented approach that includes working with clients, partners and other levels of government to manage and protect freshwater fish habitat and marine and estuarine ecosystems, and to reduce the effects of pollution on marine ecosystems.
Maritime safety 	The Department's goal is to continually improve safety in Canada's waterways by reducing the number and severity of collisions and groundings, helping people in distress and in danger, preventing loss of life and damage to property and ensuring that active fishing harbours are safe and accessible.

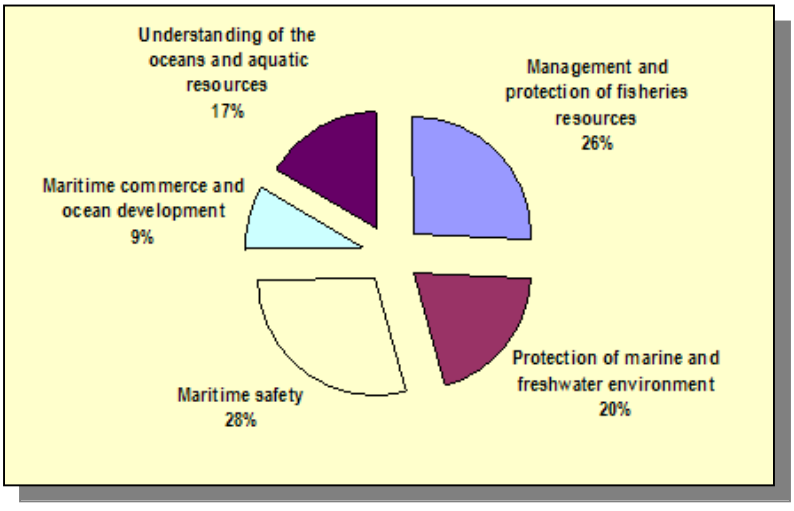
Strategic Outcome	Description
Maritime commerce and ocean development 	The Department's goal is to provide policies, a regulatory framework and operational services and infrastructure in support of commercially sustainable maritime industries. DFO also provides International Trade Canada with scientific and technical support for its efforts to liberalize trade in the fisheries and oceans sector.
Understanding of the oceans and aquatic resources 	The goal is to improve, apply and communicate to all Canadians knowledge about Canada's oceans and marine and freshwater fisheries resources. This knowledge will support the activities of clients, partners and the Department's operational branches.

Financial and human resources for 2004-2005

Total financial resources for the Department, 2004-2005 (millions of dollars)

Planned Spending	Total Authorities	Actual Spending
1,468.0	1,558.0	1,472.6

Actual expenditures, 2004-2005



Total human resources for the Department, 2004-2005 (number of full-time equivalents)

Planned	Actual	Difference
10,360	9,900	460

In 2004-2005, DFO initiated several strategies to improve its fiscal situation. From a human resource perspective, the strategies employed included implementation of staffing restraint and a continued restriction on student/casual/term hiring. The Department effectively met its planned utilization and, in fact, was in an underutilization position as a result of late in-year increases to the full-time equivalent

cap to support emerging priorities and other funding approved by Treasury Board. This underutilization is not expected to occur in 2005-2006, as integrated business and human resource planning has improved the information flow to departmental managers.

Overall departmental performance

In its *2004-2005 Report on Plans and Priorities*, DFO identified two to four strategic priorities for each strategic outcome. The table below sets out the priorities associated with each strategic outcome and summarizes the status of each. These strategic outcomes and priorities are discussed in more detail in Section 2.

Summary of performance by strategic outcome, priorities and commitments, 2004-2005 (millions of dollars)

2004-2005 Priorities/ Commitments	Type[1]	Estimated	Results Achieved
Strategic Outcome: Management and protection of fisheries resources (see page 16)			
Ensure that governance frameworks reflect the requirements of today's fisheries	Ongoing	140	Stabilized sharing arrangements in 88 of 98 commercial Atlantic fisheries for a period of up to five years. Released the Wild Salmon Policy for final consultation before implementation. Released a blueprint for long-term reform of Pacific salmon fisheries and a plan of action for transitional short-term pilot projects. Issued *Species at Risk Act* (SARA) permits to allow activities affecting several listed species.
Strengthen relationship with Aboriginal peoples	Ongoing	125	Entered into Economic Fisheries Arrangements with the First Nations affected by the *Kapp* decision. Engaged most Atlantic Aboriginal groups in both the At-Sea Monitoring Initiative and the Fisheries Operations Management Initiative. Signed 16 Aboriginal Aquatic Resources and Ocean Management agreements to build capacity within Aboriginal groups and to co-manage watersheds and ecosystems.
Advance conservation through international activities	Ongoing	20	Enhanced Canada's enforcement and surveillance program in the Northwest Atlantic Fisheries Organization (NAFO) Regulatory Area to stop illegal overfishing. Established an Advisory Panel on the Sustainable Management of Straddling Fish Stocks in the Northwest Atlantic to provide advice to Ministers on how to reduce overfishing and avoid ecological destruction of straddling stocks in the NAFO Regulatory Area and achieve sustainable use of the oceans. The Minister became a member and contributed to operations of the High Seas Task Force, an international Ministerial Roundtable whose members are committed to reducing Illegal, Unreported and Unregulated (IUU) fishing internationally. Completed the National Plan of Action on IUU fishing, which was tabled at the 26th session of the Food and Agriculture Organization (FAO) Committee on Fisheries in March 2005. Canada is only the sixth country to do this.

[1] Priority is new, ongoing or previous. *Previous* means the priority was reported in a prior Report on Plans and Priorities or *Departmental Performance Report*.

2004-2005 Priorities/ Commitments	Type[1]	Estimated Expenditure	Results Achieved
Modernize operations through the Fisheries Management Renewal Initiative	Ongoing	5	Initiated examination of *Fisheries Act* to clarify Conservation Frameworks, formalize sharing arrangements and establish a sanctioning regime. Implemented the on-line British Columbia tidal waters sport fishing licence system. Began implementation of the Vessel Monitoring System in the Atlantic.
Strategic Outcome: Protection of the marine and freshwater environment (see page 22)			
Enhance the conservation, restoration, and development of marine and freshwater fish habitat through consistent application of the Fish Habitat Management Program	Ongoing	50	Developed a risk management framework and pilot-tested it with the Yukon placer mining project. Completed 13 operational statements to streamline regulatory approval processes with provinces and territories. Completed a consolidated operating policy manual for Program staff. Completed a Memorandum of Understanding with Nova Scotia. Developed and pilot-tested a mandatory national training program for Habitat Management staff. Established a new model for the environmental assessment of major projects.
Conserve and sustainably develop Canada's oceans through progress on Canada's Oceans Strategy	Ongoing	135	Made progress on Integrated Management Plans for five large ocean management areas. Initiated Integrated Management Plan pilot projects with 21 Coastal Management Areas. Drafted a national technical guidance document on conducting ecosystem overviews and assessment reports. Designated the Sable Gully in the Eastern Scotian Shelf region as a Marine Protected Area. Produced a new national strategy for Marine Protected Areas. Made significant progress on the Federal Marine Protected Areas Strategy. Advanced work on 10 more proposed Marine Protected Areas.
Conserve and sustainably develop Canada's oceans through progress on international co-ordination	Ongoing	2	Developed the International Fisheries and Governance Strategy as part of the Oceans Action Plan. Contributed to the Arctic Marine Strategic Plan, which was adopted by the Arctic Council Work Group on Protection of the Arctic Marine Environment.
Act as the lead federal response agency to ensure an appropriate response to marine spills in waters under Canadian jurisdiction	Ongoing	45	Reported and responded to 1,300 marine pollution incidents.

2004-2005 Priorities/ Commitments	Type[1]	Estimated Expenditure	Results Achieved
Strategic Outcome: Maritime safety (see page 28)			
Ensure safe and accessible waterways	Ongoing	230	Decreased significantly the cost of marine aids since 1996, without negatively impacting marine safety and navigation. Improved level of effectiveness of Search and Rescue incidents to 98.5%. Recorded 198 incidents of collisions, groundings and strikings, which was the lowest in 25 years. Combined ice reconnaissance flights with Transport Canada pollution surveillance flights to improve the utilization of the aircraft, reduced duplication of aerial coverage and reduced costs for Ice Information Services. Recorded modest improvements in the status of active fishing harbours.
Provide high-quality hydrographic information	Ongoing	30	Distributed 151,800 paper navigational charts, 66,900 nautical publications and 26,200 information brochures — a decrease from previous years. Directed 50% of chart production activities at high-risk areas. Completed a proposal for an adjustment to the established level of service standards.
Enhance maritime safety through ongoing modernization initiatives	Ongoing	10	Continued work on the development of an automatic identification system to improve Marine Communication and Traffic Services' vessel traffic surveillance capability.
Strategic Outcome: Maritime commerce and ocean development (see page 35)			
Facilitate commercial activity through the provision of efficient and accessible waterways	Ongoing	80	Provided icebreaking services to marine shipping, including an increase to the level of service in the Arctic and Great Lakes. Conducted an Ice Information Level of Service Review to continue to provide effective and efficient services to Canadians.
Advance Canada's international trade agenda	Ongoing	1	Collaborated with Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, Health Canada, provinces, territories and business leaders at the Seafood Value Chain Roundtable. Collaborated with provincial and industry officials to promote the Canadian fish and seafood industry at the 2005 International Boston Seafood Show. Participated in negotiations on fisheries subsidies disciplines at the November 2004 meeting of the World Trade Organization (WTO) Negotiating Group on Rules. Participated in a working group with International Trade Canada to ensure that agricultural trade advocates in US posts are appropriately briefed.

2004-2005 Priorities/ Commitments	Type[1]	Estimated Expenditure	Results Achieved
Manage and research the issues surrounding the development of a responsible, sustainable aquaculture industry	Ongoing	20	Continued to implement the comprehensive Aquaculture Action Plan. Held focus group evaluations in 11 centres across the country to understand Canadians' perceptions and expectations of the aquaculture industry and the government's role. Made significant progress in harmonizing the site application and review process for the environmental assessment process in most coastal provinces. Developed a national aquatic animal health program.
Develop a long-term arrangement with industry with respect to marine services fees on navigation and icebreaking services	Ongoing	1	Launched an external charging review to develop an external charging framework. Updated full costs regarding icebreaking and navigation services. Provided updated cost figures to industry. Reported all revenues associated with fees to the commercial shipping industry. Liaised with industry and other government departments on other government initiatives with a bearing on icebreaking and marine navigation fees.
Strategic Outcome: Understanding of the oceans and aquatic resources (see page 43)			
Support strategic outcomes through the provision of high-quality, timely new knowledge, products and scientific advice	Ongoing	190	Continued to undertake science in support of longstanding responsibilities while increasing the knowledge base on new and emerging issues.
Begin implementation of selected realignment initiatives identified through the assessment of the Science Program to ensure alignment of knowledge requirements with departmental and government-wide priorities	Previous	Not available*	Delayed implementation of realignment initiatives. Reassessed the Science Program against the newly established departmental strategic outcomes.

* This priority is managed within ongoing management responsibilities and commitments. Resources directed specifically to this priority cannot be identified.

Crosswalk between strategic outcomes and business lines

Crosswalk between strategic outcomes and business lines (millions of dollars)

Business Line	Total	Departmental Strategic Outcome					Accountability	Total
		Management and protection of fisheries resources	Protection of the marine and freshwater environment	Maritime safety	Maritime commerce and ocean development	Understanding of the oceans and aquatic resources		
Marine Navigation Services								
Main Estimates	*95.0*							
Planned Spending	*87.1*							
Total Authorities	*93.9*							
Actual	**87.7**							
Marine Communications and Traffic Services								
Main Estimates	*88.4*							
Planned Spending	*92.7*							
Total Authorities	*94.0*							
Actual	**97.9**							
Icebreaking Operations								
Main Estimates	*44.2*	*13.3*	*168.3*	*245.7*	*79.8*	*5.0*	Commissioner, Canadian Coast Guard	*512.1*
Planned Spending	*44.2*	*13.3*	*161.2*	*233.2*	*72.4*	*5.0*		*485.1*
Total Authorities	*45.6*	*14.2*	*171.0*	*249.2*	*82.9*	*5.3*		*522.6*
Actual	**48.4**	**13.1**	**163.9**	**239.2**	**81.8**	**4.9**		**502.9**
Rescue, Safety and Environmental Response								
Main Estimates	*118.4*							
Planned Spending	*106.5*							
Total Authorities	*112.0*							
Actual	**105.3**							
Fleet Management								
Main Estimates	*166.1*							
Planned Spending	*154.6*							
Total Authorities	*177.1*							
Actual	**163.6**							
Fisheries and Oceans Science								
Main Estimates	*167.9*					*167.9*		
Planned Spending	*168.2*					*168.2*		
Total Authorities	*177.2*					*177.2*		
Actual	**171.7**					**171.7**	ADM, Science	
Hydrography								
Main Estimates	*31.2*			*31.2*				*199.1*
Planned Spending	*31.2*			*31.2*				*199.4*
Total Authorities	*32.9*			*32.9*				*210.1*
Actual	**36.3**			**36.3**				**208.0**
Habitat Management and Environmental Science								
Main Estimates	*89.6*		*67.2*			*22.4*	ADM, Science/ ADM, Oceans	*89.6*
Planned Spending	*89.1*		*66.7*			*22.4*		*89.1*
Total Authorities	*93.2*		*69.3*			*23.9*		*93.2*
Actual	**91.6**		**69.5**			**22.1**		**91.6**
Fisheries Management								
Main Estimates	*295.8*	*295.8*					ADM, Fisheries Management	*295.8*
Planned Spending	*319.3*	*319.3*						*319.3*
Total Authorities	*348.7*	*348.7*						*348.7*
Actual	**299.4**	**299.4**						**299.4**
Harbours								
Main Estimates	*91.5*		*1.0*	*67.5*	*23.0*		ADM, Human Resources and Corporate Services	*91.5*
Planned Spending	*91.5*		*1.0*	*67.5*	*23.0*			*91.5*
Total Authorities	*93.2*		*1.0*	*69.2*	*23.0*			*93.2*
Actual	**96.6**		**1.0**	**71.4**	**24.2**			**96.6**
Policy and Internal Services							ADM, Human	
Main Estimates	*282.7*	*73.5*	*56.3*	*81.9*	*24.5*	*46.5*	Resources and	*282.7*
Planned Spending	*283.6*	*79.7*	*54.8*	*79.5*	*22.8*	*46.8*	Corporate	*283.6*
Total Authorities	*290.2*	*83.1*	*55.2*	*80.4*	*24.2*	*47.3*	Services/	*290.2*
Actual	**274.1**	**71.5**	**53.6**	**79.3**	**24.3**	**45.4**	ADM, Policy	**274.1**
Total Main Estimates	***1,470.8***	***382.6***	***292.8***	***426.3***	***127.3***	***241.8***		
Total Planned Spending	***1,468.0***	***412.3***	***283.7***	***411.4***	***118.2***	***242.4***		
Total Authorities	***1,558.0***	***446.0***	***296.5***	***431.7***	***130.1***	***253.7***		
Total Actual	**1,472.6**	**384.0**	**288.0**	**426.2**	**130.3**	**244.1**		

Operating environment and context

The Department's operational environment is multifaceted, complex and challenging. DFO's traditional mandate is to support fisheries conservation, science, maritime safety and the protection of the marine environment. While this remains important, emerging priorities such as the Oceans Action Plan, fisheries renewal and maritime security are refocusing departmental work.

In 2004-2005, DFO continued to face challenges meeting the resource requirements of its many programs. The Department continued to experience difficulties meeting annual revenue targets, with the Icebreaking Services Fee accounting for more than half of this year's revenue shortfall. Other factors, including inflation and increasing fuel costs, have affected the Department's ability to respond to demands for service. To address these challenges, DFO put in place a number of measures aimed at reducing expenditures on non-critical activities and reallocating the savings to higher priority programs.

As part of addressing its revenue shortfall, DFO launched an External Charging Review, a department-wide evaluation of existing and potential revenue streams. The review is in the analytical phase. Table 11, in Section 3, provides the information currently available on DFO's external charging. In some areas, more work is required (e.g., costing, performance measures and performance results).

Key changes within the Department

DFO's renewed Strategic Plan, *Our Waters, Our Future*, was released in February 2005. The Strategic Plan provides a framework of corporate objectives and strategic priorities to ensure that departmental programs and policies focus on achieving the corporate vision and mandate. *Our Waters, Our Future* articulates a renewed departmental vision and confirms a revised mission based on three new strategic outcomes:

- Healthy and productive aquatic ecosystems;
- Sustainable fisheries and aquaculture; and
- Safe and accessible waterways.

Reporting against these new strategic outcomes will start with the 2005-2006 *Departmental Performance Report*.

The new Strategic Plan also provides broad direction on how DFO will move forward in the next five years.

In March 2005, DFO released its 2005-2006 Sustainable Development Strategy, *Our Waters, Our Future – Striking a Better Balance*. A companion document to the renewed Strategic Plan, the Strategy provides a comprehensive action plan for DFO to continue its commitment to sustainable development. It reflects the Strategic Plan and provides additional detail on specific sustainable development initiatives to be met and implemented.

In January 2005, senior management approved DFO's Strategic Environmental Assessment Handbook. Strengthening our commitment to implementing the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*, the handbook advises DFO employees on how to conduct Strategic Environmental Assessments and articulates the approved accountability structure. Training sessions have been held to increase awareness of Strategic Environmental Assessments within the Department and ensure strategic environment considerations are incorporated early in the development of policies, plans and programs.

Other changes in 2004-2005 include Special Operating Agency status for Coast Guard, the introduction of an integrated planning framework designed to more effectively plan and allocate resources, and the development of a Program Activity Architecture to better describe and manage resources. In addition, the concepts and principles of Modern Comptrollership were incorporated into the government's Management Accountability Framework. The Management Accountability Framework captures the components of sound management. The Department's Strategic Plan took this framework into account when identifying management priorities.

Alignment with Government of Canada outcomes

In 2004, DFO contributed to three themes and seven Government of Canada outcomes, as presented in *Canada's Performance 2005*.

DFO is a key player in the Sustainable Economy theme, contributing to three of the five Government of Canada outcomes: Sustainable Economic Growth, A Clean and Healthy Environment and An Innovative and Knowledge-Based Economy. DFO also contributes to the themes of Canada's Social Foundations and Canada's Place in the World. Regarding the theme of Canada's Social Foundations, DFO contributes to two outcomes: Healthy Canadians with Access to Quality Health Care and Safe and Secure Communities. Under the theme of Canada's Place in the World, DFO contributes to two other outcomes: A Prosperous Global Economy that Benefits Canadians and the World and A Strong and Mutually Beneficial North American Partnership.

In addition, DFO supports three of the seven outcomes that focus on Aboriginal issues: Economic Opportunity, Lands and Resources and Governance and Relationships.

Section 2 — Analysis by Strategic Outcome

In this section:

- Overview
- Management and protection of fisheries resources
- Protection of the marine and freshwater environment
- Maritime safety
- Maritime commerce and ocean development
- Understanding of the oceans and aquatic resources

Overview

This section covers each of DFO's five strategic outcomes in considerable detail. For each strategic outcome, there is information on the following:

Results chain

The results chain describes the Department's long-term results and shows how DFO expects to make a difference. The results chain links what the Department delivers to its long-term result.

What's involved?

This section provides an overview of the work carried out in support of each strategic outcome.

What did DFO spend?

The resources identified with individual strategic outcomes are estimates. Financial reporting in the Department occurs along business lines, and each business line is associated with at least two strategic outcomes. As a result, it is not possible to obtain a precise costing of individual strategic outcomes. Detailed information on the resources associated with each business line is presented in Section 3, Table 3.

Who was involved?

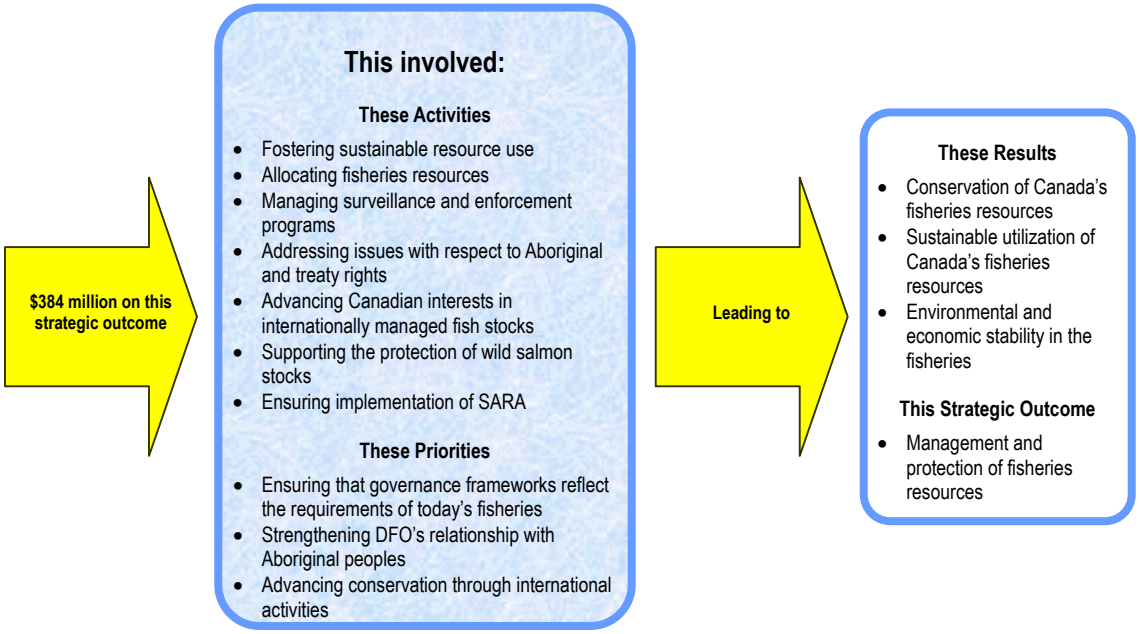
This section recognizes those that contribute to the achievement of the strategic outcome.

What was accomplished?

This section reports on the progress achieved on the commitments made in the *Report on Plans and Priorities*. Whenever possible, the outcomes achieved are discussed in terms of performance measures and indicators.

Management and protection of fisheries resources

Results chain



What's involved?

Day-to-day operations and activities account for the majority of the Department's resources used to support the management and protection of fisheries resources. To support this strategic outcome, DFO:

- Fosters the protection, conservation and sustainable use of fisheries resources;
- Provides for the fair allocation and distribution of fisheries resources among appropriate users;
- Manages surveillance and enforcement programs in support of the *Fisheries Act* and the *Coastal Fisheries Protection Act*;
- Takes Aboriginal and treaty rights issues into account in the formulation and implementation of fisheries management policies, plans and programs;
- Conducts international negotiations to advance conservation of and assert Canadian interests in internationally managed fish stocks;
- Supports the protection of wild salmon stocks in the Pacific and the enhancement of biodiversity, consistent with current conservation policies; and
- Ensures implementation of the *Species at Risk Act* and that its requirements are reflected in the Department's management plans.

What did DFO spend?

Approximately 26% of the Department's total expenditures for 2004-2005 — or $384 million — was used to manage and protect fisheries resources.

Who was involved?

DFO works with many others, including the following, to manage and protect fisheries resources:

- Other federal government departments and agencies;
- Provinces and territories;
- Aboriginal groups;
- Commercial fishing sector;
- Recreational fishing sector;
- Aquaculturists; and
- International fisheries organizations.

What was accomplished?

During the current reporting period, DFO continued to provide the above services, while moving forward on the implementation of a strategic renewal agenda on conservation, stewardship and compliance whose outcomes over the long term are expected to include fundamental changes to departmental relationships with client groups as well as institutional reforms.

Conservation and sustainable use of the resource require an understanding of the contribution that the use — and the management measures that guide the use — makes to the economic and social fabric of Canada.

DFO continued to ensure that its governance frameworks reflect the requirements of today's fisheries

Atlantic Fisheries Policy Review

Building on the March 2004 announcement in which access and allocation components of most Atlantic management plans were stabilized for one year, on March 10, 2005, the Minister announced his decision to stabilize existing sharing arrangements in 88 of 98 commercial Atlantic fisheries for a period of up to five years where shares are stable. This allows resource users to plan their business operations with even greater stability and certainty. The Department will continue to move forward to resolve outstanding issues and stabilize arrangements for the longer term in those remaining 10 fisheries. This action is the next natural step since the March 2004 release of the Atlantic Fisheries Policy Framework committed to moving toward a more stable and durable access and allocation process.

This stabilization of sharing arrangements is subject to a number of considerations, including conservation and the need to be consistent with the constitutional protection provided to Aboriginal and treaty rights, as well as current and future agreements with Aboriginal groups.

Pacific New Directions — Wild Salmon Policy

Managing Pacific salmon requires tough choices that consider all interests and consequences. Resolving these issues cannot be accomplished by governments and scientists alone — decisions must be informed by scientific advice and reflect public values. The DFO Wild Salmon Policy proposes to maintain the genetic diversity of wild salmon by identifying and protecting individual, identifiable stocks as conservation units. A conservation unit is a group of wild salmon that, if lost, could not be replaced through natural processes within a reasonable timeframe. The status of conservation units, their habitat and the ecosystems will be monitored and assessed. Indicators of ecosystem health will also be developed. This policy explicitly draws on the principles of Objective-based Fisheries Management in setting monitoring and performance criteria for the biological, economic and social aspects of salmon fisheries.

In December 2004, the Minister announced the release of the Wild Salmon Policy for the final consultation phase before implementation.

Pacific New Directions — Response to the reports of the Joint Task Group and First Nations Panel on post-treaty fisheries in the Pacific Region

In the spring of 2004, the Minister of Fisheries and Oceans received two reports pertaining to approaches to moving forward with Pacific fisheries reform, with a particular emphasis on Pacific salmon fisheries. Following receipt of the reports, the Department initiated extensive discussions with commercial, recreational and Aboriginal fishery participants in an effort to find common ground for moving forward for the 2005 fishing season. The Department released its response in the form of a blueprint for long-term reform and a plan of action for transitional short-term pilot projects in April 2005.

Species at Risk Act

http://www.dfo-mpo.gc.ca/species-especes/aboutAct/aboutAct_e.asp

For the 2004-2005 fishery, *Species at Risk Act* (SARA) permits were issued to allow activities affecting several listed species: turtles (75 permits) and northern and spotted wolfish (9,600 permits). Those applying for such permits must satisfy specific conditions regarding the impact of their activities on the listed species. In 2004, no challenges were received from the public with respect to these permits.

Extensive consultations were held regarding species currently in the listing process, the results of which are expected late in 2005. Work continued on the development of SARA-compliant management measures to be included as part of integrated fisheries management plans for any fishery that could potentially be listed under SARA or could affect a listed species.

DFO continued to strengthen its relationships with Aboriginal peoples

The Department is continuing to take steps to engage Aboriginal peoples in the fisheries management process. Assisting Aboriginal peoples to obtain the capacity to participate more effectively in the multi-stakeholder processes used for aquatic resources and oceans management will help to avoid separate management solitudes. Building their capacity to take advantage of opportunities to participate in commercial fisheries and aquaculture development will contribute to the broader government agenda of improving the overall socio-economic conditions of Aboriginal groups.

As part of the Aboriginal Fisheries Strategy in 2004-2005, DFO entered into Economic Fisheries Arrangements with First Nations affected by the *Kapp* decision as an interim response to that decision. The long-term response to *Kapp* will be addressed within the context of a broader reform of the Pacific fishery by 2006. The British Columbia Supreme Court held that Pilot Sales fisheries under the Strategy were not discriminatory under Section 15 of the *Canadian Charter of Rights and Freedoms*. The accused has appealed the decision.

Improving fishing skills and management of fisheries operations are key to the safe and successful operation of commercial fishing by First Nations provided with commercial fisheries access following the *Marshall* decision. To this end, DFO provided support to Aboriginal groups through the At-Sea Mentoring Initiative and the Fisheries Operations Management Initiative. The At-Sea Monitoring Initiative supported mentoring activities to enable fishing vessel captains and crewmembers to master fishing skills, including vessel maintenance, and helped First Nations exploit their fishing licences more fully. The Fisheries Operations Management Initiative helped First Nations affected by the *Marshall* decision further develop their skills in managing fisheries operations. Most First Nations affected by the *Marshall* decision were engaged in both types of programming in 2004-2005.

Following the release of the Canada and British Columbia Joint Task Group report on Post-Treaty Fisheries in May 2004, and the First Nations Panel response, interim measures were announced for the

2004-2005 season by the Minister, including limited Economic Opportunities Arrangements with some Aboriginal groups. The long-term response to the Joint Task Group/First Nations Panel reports will be addressed within the context of a broader reform of the Pacific fishery by 2006.

Under the Aboriginal Aquatic Resource and Oceans Management (AAROM) Program, new programming was initiated with several Aboriginal groups in 2004-2005. Different approaches were adopted for each. The AAROM Program, set out as a proposal-driven process, resulted in the signing of 16 AAROM agreements — 12 under the Capacity Building component and 4 under Collaborative Management, for a total of $1.36 million. Under AAROM, the Capacity Building component allows Aboriginal groups in a geographic area to explore areas where they might work together on issues of common concern and to consider different models by which they could accomplish work together in some form of aggregate organization. Collaborative Management is when groups have made the transition to full operationalization of a defined co-management relationship among the participating Aboriginal member communities, working together at a broad watershed or ecosystem level, between the Aboriginal group and DFO and others as appropriate.

The Aboriginal Inland Habitat Program (AIHP) provides funding for Aboriginal organizations to develop their capacity to carry out activities for the conservation, protection and enhancement of fish habitat in Alberta, Saskatchewan, Manitoba, Ontario and Québec.

DFO implemented the habitat component of the AAROM Program and AIHP, including partial implementation of a new management model for AIHP.

DFO signed an AIHP Contribution Agreement with the Assembly of First Nations (AFN) in 2004-2005 to lead a consultation process seeking advice from inland Aboriginal groups on new directions and program criteria. In February and March, the AFN carried out consultations with Aboriginal groups at provincial workshops in Edmonton, Prince Albert, Winnipeg, Thunder Bay, Toronto and Montreal. Participants at several of the workshops encouraged the Department to work with Aboriginal organizations to develop a coordinated approach to program delivery at the provincial level.

DFO continued to advance conservation through its international activities

International conservation

In 2004-2005, DFO significantly advanced efforts to combat foreign overfishing. On May 6, 2004, the Government took immediate and decisive action in response to illegal fishing by foreign fleets on the Nose and Tail of the Grand Banks by committing an additional $15 million in 2004-2005 to further enhance Canada's enforcement and surveillance program in the NAFO Regulatory Area to stop illegal overfishing and to finance Canada's strategic agenda for changes to international fisheries governance. Based on an analysis of activity in 2003, foreign fishing fleets illegally took about 15,000 tonnes of fish protected by moratoria, including cod and American plaice. Foreign vessels also fished more than 7,000 tonnes of Greenland halibut (turbot) and yellowtail flounder in excess of their legal quotas.

With this additional investment, the Canadian enforcement presence in the NAFO Regulatory Area increased by 65%, at-sea inspections increased by 50% and the number of violations detected decreased by 45% in 2004 compared to 2003. There was also a reduction in fishing effort in the NAFO Regulatory Area, including a 25% reduction in European Union effort. This enhanced enforcement contributed to a 50% reduction in the catch of moratoria species in 2004 compared to 2003. Nevertheless, while enhanced enforcement efforts have secured compliance with respect to moratoria species, a continued presence is required to maintain these gains and address other, ongoing enforcement issues.

In October, the Minister agreed to participate in a task force of international fisheries ministers to expose and combat the global problem of IUU fishing on the high seas — the area of the ocean that is not under the exclusive control of sovereign states. The FAO of the United Nations estimates that about 30% of the world's total fishing catch is taken from IUU fishing activities. In March 2005, the task force Ministers met and members agreed to pursue six priority action areas over the coming year, including sharing intelligence and better coordination of monitoring, control and surveillance, developing a global register of high seas fishing vessels, strengthening in-port measures and control over nationals.

An Advisory Panel on the Sustainable Management of Straddling Fish Stocks in the Northwest Atlantic was established to provide advice to Ministers on how to reduce overfishing and avoid ecological destruction of straddling stocks in the NAFO Regulatory Area and achieve sustainable use of the oceans.

In March 2005, Canadian officials also tabled Canada's *National Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing*, which outlines ongoing programs and initiatives, as well as existing policies and legislation which tackle IUU fishing. Canada was only the sixth country to table a National Plan of Action.

These initiatives culminated in the international conference, *Governance of High Seas Fisheries and the United Nations Fish Agreement — Moving from Words to Action,* in St. John's, Newfoundland and Labrador, in May 2005. Ministers and senior officials from at least 48 fishing nations will focus on areas where there may be gaps and impediments to implementing existing commitments and how to effect meaningful change in managing fish stocks on the high seas.

DFO continued to modernize operations through the Fisheries Management Renewal Initiative

Fisheries Management Renewal (FMR) is a plan of action to modernize fisheries management to ensure strong, sustainable fisheries for years to come. FMR is about changing the relationship between DFO and stakeholders, especially commercial fishers, recognizing that those affected by resource management decisions need to have a role in decision making. It builds on and formalizes existing initiatives that provide resource users with a greater voice in decision making by advancing shared stewardship — shared responsibility, decision making and accountability — with resource users. It implements the directions that were developed in recent policy work that was completed through major engagement exercises such as Pacific New Directions and the Atlantic Fisheries Policy Review.

There are four main elements to Fisheries Management Renewal:

- Ensuring conservation and sustainable use of the resource;
- Ensuring stable access and allocation and predictable, transparent decision-making processes;
- Promoting shared stewardship in fisheries management; and
- Developing a modernized compliance regime that supports the new approach.

Much can be achieved within the current legislative framework, but the 137-year old *Fisheries Act* is not conducive to a modernized system. In 2004, DFO initiated an examination of legislative options to clarify conservation frameworks, formalize sharing arrangements and establish a sanctioning regime.

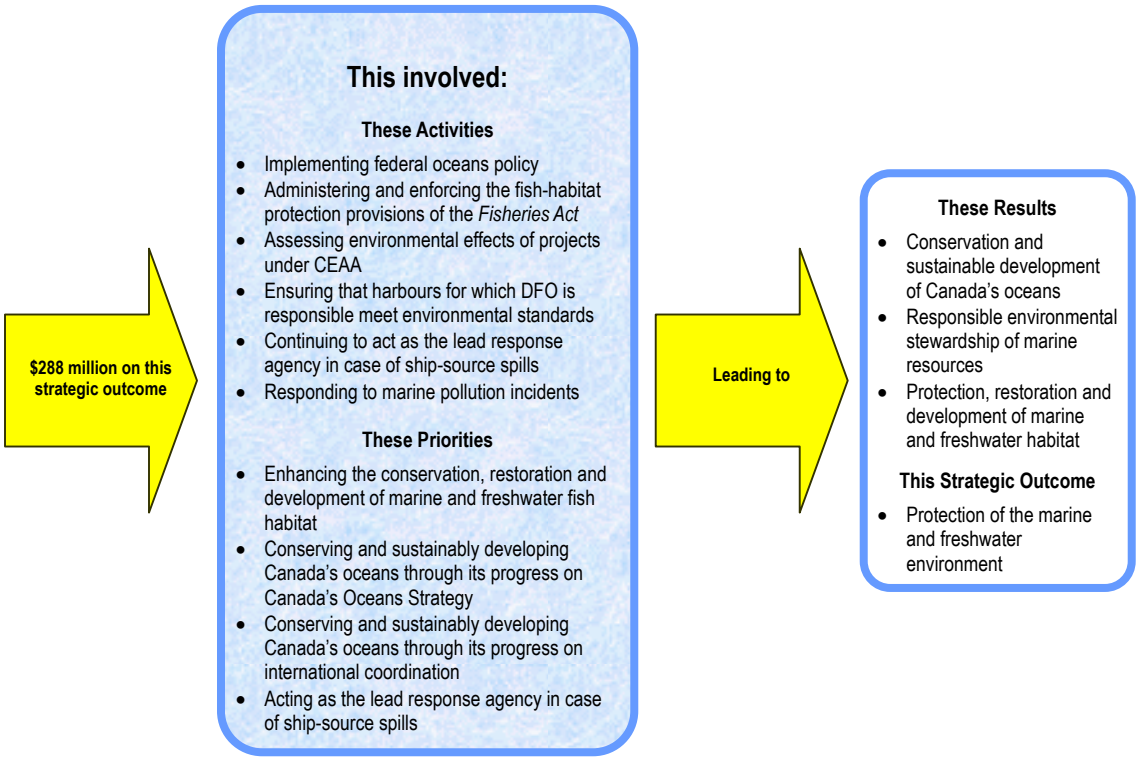
Enhanced service delivery to Canadians

As of June 8, 2004, Canadians can obtain a British Columbia tidal waters sport fishing licence through a secure Web site. The on-line service is being rolled out in stages, with stage two in 2005 affording the same service option to non-Canadian residents.

As part of a multi-year national implementation, the Vessel Monitoring System has been deployed across most of the major fishing fleets in Newfoundland and Labrador, with a total of 1,700 units reporting. The system is one of a number of complementary strategies designed to enhance DFO's risk-based decision making in support of its compliance strategy. It will be introduced in other DFO regions on an incremental basis over the next several years.

Protection of the marine and freshwater environment

Results chain



What's involved?

To achieve protection of the marine and freshwater environment, DFO undertakes the following key activities:

- Implementing federal oceans policy;
- Administering and enforcing the fish habitat protection provisions of the *Fisheries Act*;
- Assessing the environmental effects of projects under the C*anadian Environmental Assessment Act*;
- Ensuring that harbours for which DFO is responsible meet environmental standards;
- Continuing to act as the lead response agency in case of ship-source spills; and
- Ensuring an appropriate response to all marine pollution incidents in Canadian waters.

What did DFO spend?

Approximately 20% of the Department's total expenditures for 2004-2005 — or $288 million — was used to protect the marine and freshwater environment.

Who was involved?

DFO works with many others, including the following, to protect the marine and freshwater environment:

- Affected Aboriginal organizations;
- Boating associations;
- Canadian Marine Advisory Council;
- Coast Guard Auxiliaries;
- Canadian coastal communities;
- Cottage associations;
- First Nations;
- Harbour Authorities;
- Industry associations;
- Marine users;
- Maritime industry;
- Minister's Advisory Council on Oceans;
- Other federal government departments and agencies, including Environment Canada, Natural Resources Canada, Parks Canada, Transport Canada, National Defence, Foreign Affairs Canada and International Trade Canada;
- Provinces, territories and municipalities;
- Schools; and
- Tourism operators.

What was accomplished?

DFO continued to enhance the conservation, restoration and development of marine and freshwater fish habitat in the context of sustainable development

DFO's Habitat Management Program is a federal regulatory program with a mandate to conserve and protect fish habitat. Program responsibilities are carried out under the *Fisheries Act*, the *Canadian Environmental Assessment Act* and the *Species at Risk Act*.

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/habitat/index_e.asp

The Department recently initiated extensive reform of the Habitat Management Program. In 2004-2005, these efforts continued with the implementation of the Environmental Process Modernization Plan (EPMP). EPMP contributes to the Government of Canada's Smart Regulation initiative by providing decisions in a timely, efficient and effective manner that supports sustainable development.

http://www.smartregulation.gc.ca

In 2004-2005, the main focus of EPMP was on these six elements:

- Developing and implementing a science-based Risk Management Framework. This framework ensures that resources and efforts can be re-allocated from reviewing routine, low-risk activities, to reviewing projects that pose the greatest risk to fish habitat. In 2004-2005, several pilots of the framework were carried out, including one in the Yukon placer mining industry.
- Streamlining regulatory practices. The goal is to eliminate repetitive, time-consuming reviews of low-risk activities so that resources can be re-allocated, for instance to higher risk and less routine activities. In 2004-2005, operational statements were developed for a majority of the low-risk activities reviewed each year; these statements identify the measures needed to prevent such activities from harming fish habitat. Steps were also taken to support a one-window provincial/territorial delivery system for these statements.
- Improving program coherence and the predictability of decision making. In 2004-2005, policy manuals were developed for practitioners in the field, a mandatory training program was developed for program staff, internal governance and communications tools were improved and progress was made in the development of improved performance and evaluation measures.

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/habitat/partners-partenaires/index_e.asp

- Collaborating on common issues and priorities. This involves a renewed emphasis on partnering with provinces, industry, Aboriginal groups, non-government organizations and municipalities. In 2004-2005, DFO completed a Memorandum of Understanding with Nova Scotia and conducted negotiations on such memoranda with Newfoundland and Labrador, New Brunswick, Ontario, Saskatchewan and Yukon. DFO also signed an agreement with the National Resource Industry Association, which represents seven major national resource industry associations.
- Developing and implementing a new model for the environmental assessment of complex, multi-jurisdictional projects with nationally significant socioeconomic implications. This new approach often involves developing policies and protocols that support EPMP principles. In 2004-2005, DFO implemented such a model for the management of environmental assessments of major projects in National Headquarters and the regions. As part of this implementation, the Department implemented a policy on early triggering of the *Canadian Environmental Assessment Act* to improve the likelihood of harmonization with other levels of government.
- Modernizing habitat compliance. This aspect of habitat management was added to the EPMP implementation process in late 2004-2005, and work on it will begin in 2005-2006.

DFO continued to conserve and sustainably develop Canada's oceans through its progress on Canada's Ocean Strategy

Integrated Management is one of the three programs under the *Oceans Act*. The goal is to encourage sustainable use of our oceans through integrated planning of key regions. This program invests resources in building capacity, that is, in bringing together ocean users and stakeholders, including provinces, territories, Aboriginal groups, industry and coastal communities, to plan activities in priority ocean areas within our waters.

Integrated Management Plans are being developed for five large ocean management areas: the Scotian Shelf, the Gulf of St. Lawrence, Placentia Bay/Grand Banks, the Beaufort Sea and the Pacific North Coast. Integrated management planning in these areas is dealing with major issues ranging from competing ocean uses — fishing, oil and gas development, and marine transportation — to marine pollution and user conflict. Plans are at various stages of development in each of the five areas. For example, a draft integrated management plan for the Eastern Scotian Shelf is complete and stakeholder consultation is under way. In the Beaufort Sea, an Integrated Management Initiative is advancing. The ecosystem overview is complete and the ecological assessment has begun, which will provide a basis for planning. DFO will continue to make progress in developing plans for all five areas.

The Oceans Action Plan is investing more resources in advancing the infrastructure and science necessary for collaborative planning. This support will enable the Department to begin to engage multiple stakeholders and manage and protect the marine environment on an ecosystem basis. Actions under the Plan serve as steps toward managing priority areas in a sustainable way that protects fragile marine ecosystems and involves multiple users.

Under the *Oceans Act*, Marine Protected Areas (MPAs) can be established to conserve and protect unique habitats, endangered or threatened marine species and their habitats, commercial and non-commercial fishery resources and their habitats, marine areas or high biodiversity or biological productivity, and other marine resources or habitat requiring special protection. In May 2004, the Sable Gully in the Eastern Scotian Shelf region became Canada's second Marine Protected Area.

http://www.mar.dfo-mpo.gc.ca/oceans/e/essim/essim-intro-e.html

DFO has produced a new national strategy for Marine Protected Areas. This strategy will facilitate the implementation of a process that will identify marine and estuarine areas in need of special protection. The development of the strategy has produced a core of government expertise and has resulted in extensive education of many coastal communities and other interested parties concerning Canada's commitment to marine conservation of vulnerable resources.

In 2004-2005, DFO continued work on advancing integrated oceans management, and has worked collaboratively with provinces and territories in coastal areas. The Department has developed working partnerships with coastal communities, provinces, Aboriginal groups (including Inuit and First Nation), industry and other interested parties. Integrated Management Plan Pilot Projects have been initiated for 21 Coastal Management Areas. For instance, the Maritime Regional office has been working closely with the province of New Brunswick and various stakeholders to develop a Marine Planning Strategy for Southwest New Brunswick. In the Bras d'Or Lakes region, DFO has worked with stakeholders to establish the Collaborative Environmental Planning Initiative and is working with an Aboriginal organization to establish a multi-year ocean management agreement. These pilots provide a practical start to taking complementary action for the benefit of coastal communities.

DFO conserved and sustainably developed Canada's oceans through its progress on international co-ordination

The Department has developed and is now implementing an International Fisheries and Governance Strategy as part of the Oceans Action Plan. This strategy proposes to address this issue through three concurrent elements:

- Improving Compliance in NAFO;
- Creating the Conditions for Change; and
- Strengthening Governance.

As part of Creating the Conditions for Change, Canada also became a member of the Ministerially-led High Seas Task Force on IUU fishing. The objective of the Task Force is to formulate a pragmatic and prioritized action plan that is both analytically sound and politically feasible and will act as a vehicle for improved decision making.

http://www.dfo-mpo.gc.ca/media/backgrou/2005/hq-ac08a_e.htm

A comprehensive strategy involving eight Arctic nations and Indigenous peoples to address key pollution, biodiversity and marine use issues in the Arctic was adopted in 2005. DFO has invested resources in advancing this strategy (the Arctic Marine Strategic Plan):

- Conducting a comprehensive assessment of shipping in the Arctic at current and future levels;
- Applying an ecosystem approach to the Arctic;
- Advancing the implementation of the Regional Program of Action for the Protection of the Arctic Marine Environment from Land-based Activities; and
- Developing a communication plan to facilitate the understanding and engagement of Arctic inhabitants in the implementation of the Arctic Marine Strategic Plan.

http://www.high-seas.org/

Canada completed the *National Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing* in March 2005 consistent with the FAO International Plan of Action on IUU fishing. This national action plan was tabled at the 26th session of the FAO Committee on Fisheries, in March 2005, in Rome.

http://www.dfo-mpo.gc.ca/media/backgrou/2005/hq-ac08b_e.htm

Through processes such as the 4th United Nations Informal Consultative Process on Oceans and the Law of the Sea, the High Seas Task Force and FAO ministerial meetings, Canada has generated strong alliances with like-minded countries. There is also a high-level commitment to better understand how to reduce and eliminate IUU fishing and improve oceans governance through international institutions and Regional Fisheries Management Organizations.

DFO continued to act as the lead federal response agency in case of ship-source spills

Being prepared for and responding to oil spills is a responsibility shared between the federal government and the private sector. Industry must take adequate action to prevent spills and have effective plans for responding to spills. For its part, government is responsible for the legislative and

regulatory framework, including the setting of standards, the monitoring of responses and the enforcing of laws and regulations.

Through the Environmental Response Program, CCG monitors and investigates all reports of marine pollution incidents and ensures an appropriate response. Where the polluter has been identified and is willing and able to respond, CCG advises the polluter of its responsibilities. Once satisfied with the polluter's intentions/plans, CCG assumes the role of Federal Monitoring Officer and monitors the polluter's response and provides advice and guidance as required. In cases where the polluter is unknown or is unwilling or unable to respond, CCG assumes overall management as On-Scene Commander and ensures an appropriate response to the incident. In 2004, CCG acted as the Federal Monitoring Officer 517 times (406 in 2003) and as an On-Scene Commander 620 times (590 in 2003).

In 2002, Environment Canada, Transport Canada and DFO (through CCG) negotiated an enforcement annex to the Atlantic Memorandum of Understanding on illegal discharges. The goal was to reduce the incidence of oil spills through integrated investigations leading to an improved rate of conviction and higher fines against ships and crews who pollute Canada's oceans. Although most of this responsibility now rests with Environment Canada and Transport Canada, CCG provides a supporting operational role.

Other activities

Harbour environmental standards

As in previous years, DFO continued to ensure that all harbours under its jurisdiction meet environmental and health and safety standards by:

- Requiring that Harbour Authorities, who are client-run, non-profit corporations managing and operating most core fishing harbours leased from DFO, prepare and implement environmental management plans; follow all applicable federal, provincial and territorial laws, regulations and rules and municipal by-laws; and conduct all necessary environmental assessments;
- Ensuring that all harbour repairs and improvements are undertaken with due regard for the environment, including proper environmental remediation or compensation; and
- Completing all necessary environmental assessments and clean-ups before removing harbour assets from DFO's inventory.

Ensuring regulatory readiness for aquatic biotechnology

In anticipation of potential future applications to manufacture or import novel aquatic organisms, including genetically engineered aquatic organisms, DFO continued to take measures to ensure the protection and conservation of wild fish and their habitat. At this time no genetically engineered fish are permitted for commercial use or release in Canada, and no applications are pending.

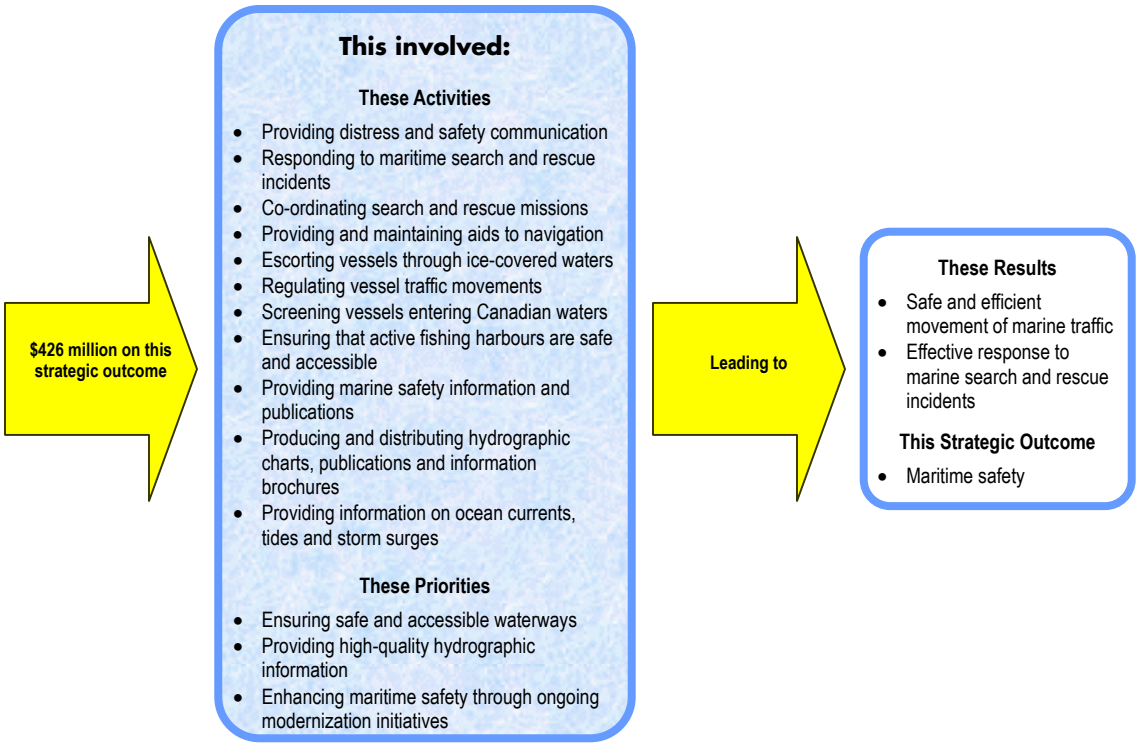
The 1993 Federal Biotechnology Regulatory Framework (1993 Framework) outlines that various departments will regulate products of biotechnology within their area of expertise. Some sector-specific regulations have been developed for products of biotechnology, for example, regulations administered for plants with novel traits by the Canadian Food Inspection Agency. When no sector-specific regulations exist, the *New Substance Notification Regulations* (NSNR) under the *Canadian Environmental Protection Act, 1999* (CEPA) apply to all remaining products of biotechnology, ensuring that regulatory oversight for these products is at all times complete.

In keeping with the 1993 Framework, in 2004-2005, DFO signed a Memorandum of Understanding, agreeing to administer the NSNR on behalf of Environment Canada and Health Canada should there be any applications for aquatic organisms with novel traits. Much work has been completed to develop DFO's program capacity in this area. A process has been developed for handling notifications of aquatic

organisms with novel traits, draft guidelines have been completed for environment and human health risk assessment of aquatic organisms with novel traits, and an extensive list of proponents and researchers, both in Canada and abroad, has been completed. Through the administration of this regulatory program, DFO will be able to ensure that aquatic organisms with novel traits do not adversely impact wild fish stocks and their habitat. DFO has also undertaken work to establish the foundation for the development of regulations that would replace the NSNR for aquatic products of biotechnology.

Maritime safety

Results chain



What's involved?

DFO is responsible for safe, effective, and environmentally sound marine services that are responsive to the needs of Canadians. The Department aims to continually improve safety on Canada's waterways by preventing loss of life and injury, reducing the number and severity of collisions and groundings, and minimizing damage to, or loss of, property. To this end, it undertakes various activities, including:

- Providing distress and safety communication;
- Responding to maritime search and rescue incidents;
- Co-ordinating maritime search and rescue missions;
- Providing and maintaining aids to navigation;
- Supporting the promotion of marine and boating safety;
- Routing vessels safely and efficiently through or around hazardous ice conditions;
- Providing ice-related information to the maritime community;
- Escorting vessels through ice-covered waters;
- Regulating vessel traffic movements;
- Screening vessels entering Canadian waters;
- Ensuring that active fishing harbours are safe and accessible;
- Providing marine safety information and publications;
- Producing and distributing hydrographic charts, publications and information brochures; and
- Providing information on ocean currents, tides and storm surges.

Several factors are forcing DFO to adapt its response services to minimize the number and impact of marine incidents. A growing population of recreational boaters in Canadian waters is increasing the incidence of accidents, as is the growing tendency for inshore fishermen to operate farther offshore and in different types of fisheries. Moreover, international security has assumed greater importance since the terrorist attacks in the United States in 2001.

What did DFO spend?

Approximately 29% of the Department's total expenditures for 2004-2005 — or $426 million — was used for maritime safety.

Who was involved?

To carry out its prevention and response activities, the Department works with a variety of partners and stakeholders, including other federal government departments, provinces and territories, municipalities, the Canadian Coast Guard Auxiliary, the Canadian Marine Advisory Council, shipping federations, boating associations and the United States Coast Guard. For instance, with the assistance of Canada's Department of National Defence, DFO conducts marine search and rescue operations within areas of federal responsibility. Similarly, the Department's icebreaking program works with the Canadian Ice Service, a branch of Environment Canada's Meteorological Service of Canada, to provide ice-related information to the marine community to enhance the safety and efficiency of marine operations in ice-covered waters.

DFO also provides assistance to other federal government departments, as well as the provinces, territories and municipalities, to help with humanitarian and civil emergencies. In collaboration with Transport Canada, the Canadian Coast Guard acts as Canada's representative on international bodies that address operational and technical concerns related to maritime safety.

Several international agencies and commissions share responsibility for ensuring the adequacy of water flows and the safe navigability of channels. DFO's Waterways Management Program contributes to the management of internationally shared waterways, providing secretariat services and expert advice on usage rights to the International St. Lawrence River Board of Control and providing outflow volume directives to the Canada-Ontario St. Lawrence Outflow Control Agreement Board. The program's manager is the Canadian Chief Delegate on the International Navigation Association, and the program has an influence on national standards through active involvement with the International Association of Lighthouse Authorities, the International Association of Ports and Harbors, the International Association of Hydraulic Engineering and Research and the International Maritime Organization.

Key players in the day-to-day operation of DFO's network of commercial fishing harbours are the 562 local Harbour Authorities, which are client-run, not-for-profit corporations that operate and manage fishing harbours leased from DFO. These locally controlled organizations have become a major force in driving the economies of rural communities with benefits through local employment and identifying opportunities for economic diversification.

What was accomplished?

DFO continued to ensure safe and accessible waterways

http://www.coast-guard.gc.ca/atn-aln/modern_e.htm

Modernizing aids to navigation

Through its Marine Aids Modernization initiative, DFO has made significant progress in modernizing Canada's aids systems, both conventional and electronic, over the past few years. The initiative has sought to:

- Provide the right combination of conventional and electronic aids to navigation to meet the changing needs of the marine community;
- Take advantage of new materials and equipment to improve program reliability and reduce operating and maintenance costs; and
- Integrate the use of lighter equipment and external contractors to improve response to outages and seasonal needs, as well as to reduce costs.

The Marine Aids Modernization initiative has had no negative impact on marine safety and navigation, and the cost of providing short-range aids to navigation has decreased significantly since 1996. The implementation of national service standards, the availability of the Differential Global Positioning System and the introduction of other new technologies have resulted in a reduction of 8% of all aids to navigation in the field since 1996.

Providing marine communications and traffic services

The Canadian Coast Guard provides the initial response to ships in a distress situation, reduces the probability of ships being involved in collisions, groundings, and strikings, and is a cornerstone in the marine information collection and dissemination infrastructure. During 2004-2005, the Marine Communications and Traffic Services (MCTS) network detected a total of 6,980 incidents.

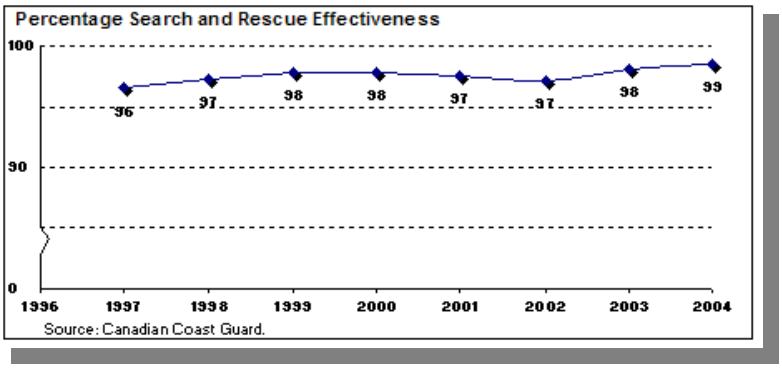
The safety of ships at sea and on inland waters is highly dependent on efficient distress response, traffic regulating, safety communications, the broadcasts of weather and navigation warnings and the alerting network.

The broad national interest is served through data provided to other government departments for better management of national programs. In addition to ensuring safe marine navigation, MCTS supports economic activities by optimizing traffic movement and facilitating industry ship/shore communications.

Improving search and rescue effectiveness

The Search and Rescue (SAR) Effectiveness Index expresses the number of lives saved as a percentage of the number of lives at risk or in distress situations. The objective of the SAR Program is to save 100% of lives at risk. In 2004, all regions exceeded 96% SAR effectiveness (in 2003, regions exceeded 95%). Coast Guard's highest stated level of service requires 90% SAR effectiveness.

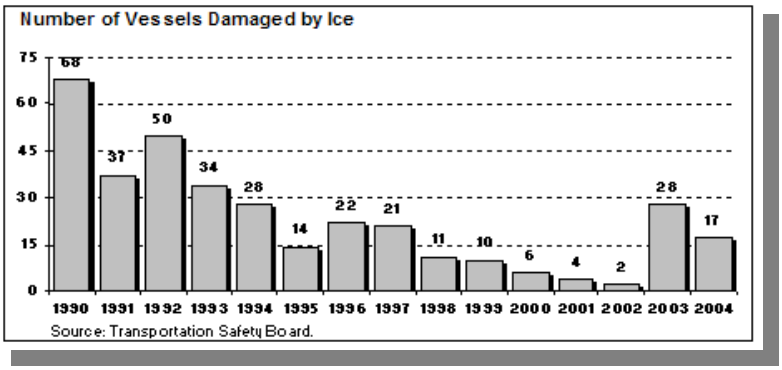
Despite increases in commercial and recreational traffic, and the variability in the number of people at risk from year to year, the effectiveness of SAR service has remained very consistent. Over the past seven years, the SAR Program has achieved the highest levels of SAR effectiveness ever recorded. The year 2004 ranks as the best year on record, with a 98.5% level of effectiveness.



DFO developed a Marine Activity Risk Information System with the assistance of Dalhousie University. The purpose of this system is to determine risk on the basis of historic trends in shipping and commercial fishing. Originally intended for use by the SAR Program, the system is now being enhanced to support other programs such as Security and Environmental Response.

Reducing ice damage

As illustrated in the figure below, the number of vessels damaged by ice has been declining since 1992. Indeed, the risk of damage to ships in transit through ice-covered waters is much lower now than it was 15 years ago despite the high variability in ice conditions and the growing volume of marine winter traffic. However, severe ice and weather conditions on the East Coast in the past two years, coupled with higher than usual seal hunting activity in ice-covered water, resulted in a rise in damage to small fishing vessels in 2004 (and in 2003).



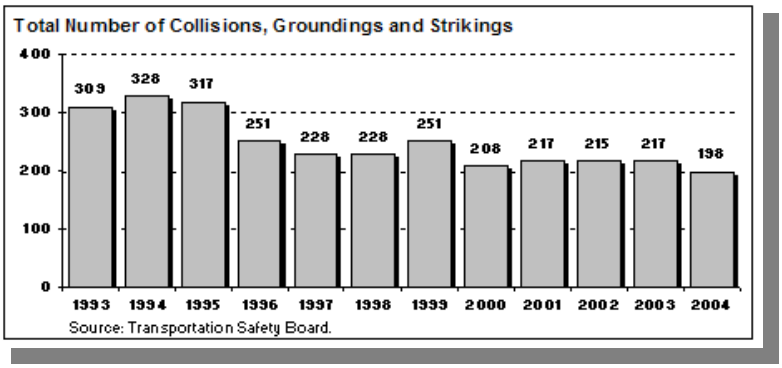
Managing waterways

CCG's Waterways Management Program contributed to the management of national and Canada/U.S-shared waterways by providing safety guidelines for the provision and operation of channels and client requests, disseminating information on channel conditions, and providing expert advice on navigation requirements in the international control of water levels and flows in the St. Lawrence River. Through participation on the International Navigation Association in association with the International Association of Ports and Harbours, the Program helps ensure that Canada's navigation channels meet minimum international standards.

http://www.ccg-gcc.gc.ca/mns-snm/pubs/waterguide1201/index_e.htm

Reducing collisions, groundings and strikings

While collisions, groundings and strikings are the most frequent type of marine incident in Canada, their numbers have been steadily decreasing. The 198 incidents recorded in 2004 were the lowest in 25 years, owing largely to improved vessel traffic management, the provision of a variety of safety information to navigators and advances in communication and navigation technologies.



Did you know?

SCH provides an operable system of harbours throughout Canada (1,008 fishing harbours, 232 recreational harbours and almost 6,000 structures valued at approximately $21 billion).

SCH harbours are often the only federal presence in small coastal communities.

Harbours provide shelter to mariners in distress.

SCH does yearly inspections and emergency site visits to address unsafe situations and damage from storms.

Over 90% of the Small Craft Harbours budget goes to maintenance and repairs of facilities at essential fishing harbours.

Maintaining small craft harbours

DFO is committed to maintaining its 746 harbours critical to the fishing industry open and in good repair. One of DFO's ongoing performance indicators for its Small Craft Harbours (SCH) Program has been to reduce the percentage of active fishing harbour sites in poor or unsafe condition (i.e., those requiring past-due or immediate attention) with the eventual objective of seeing all active fishing harbours in good condition.

At the end of 2004-2005, 531 (71.2%) of the 746 active fishing harbours were in fair to very good condition, a slight improvement from last year, where 70.8% were in fair to very good condition.

During 2004-2005, DFO worked on 1,422 major and minor harbour projects, including major repairs to 54 harbours.

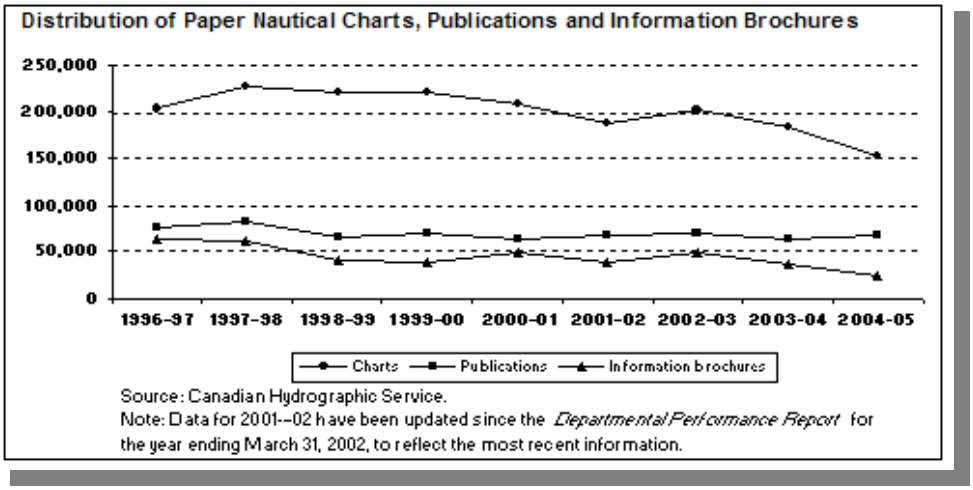
Given that inflation has been significant in the construction industry in the past few years and that the funds required to provide for proper life cycle management at core fishing harbours are lacking, the Department is expending its budget mostly on the most urgent requirements and risk-managing the rest.

DFO continued to provide high-quality hydrographic information

The Canadian Hydrographic Service (CHS) is responsible for charting Canada's 243,792 kilometres of coastline (the longest of any country in the world), 6.55 million square kilometres of continental shelf and territorial waters (the second largest in the world) and an extensive system of inland waterways. To ensure safe and efficient navigation in Canadian waters, CHS maintains an extensive portfolio of navigational products and services. The number of nautical charts within the CHS portfolio is greater than any country in the world, not including those that maintain worldwide coverage. While paper charts are still in use, the increasing trend for modern shipping is to employ electronic navigational charts. These charts and other technological advances in hydrography, such as multi-beam data collection, automated production, database development and Internet portals, continue to change how the Canadian Hydrographic Service makes hydrographic information available to Canadians.

Although CHS is shifting toward digital hydrographic data management, it continues to produce paper products. In 2004–2005, it distributed 151,800 paper charts, 66,900 nautical publications and 26,200 information brochures. The overall trend associated with the decline in paper chart sales continued.

Factors affecting the sale of charts include limited production of new charts and new editions, the lack of new chart catalogue production, and the availability of digital chart products as an increasingly popular alternative to the paper products.



http://www.charts.gc.ca

Keeping existing hydrographic charts up-to-date while also creating new ones is an ongoing challenge. In 2004-2005, CHS continued to focus its resources on those areas posing the greatest risk to safe navigation. A total of 227 charts have been identified in the greatest risk category. As a result, 50% of chart-production activities were directed at these high-risk areas.

A draft proposal for an adjustment to the established level of service standards for the maintenance of existing charts was completed. Under the proposed changes to the level of service, charts within a high-risk area will receive the largest resource allocation and will be maintained on a predefined maintenance cycle. The remaining products in the medium- or low-risk areas will be maintained but on a longer maintenance cycle and a different level of service than the products in the high-risk areas. The proposed changes to the levels of service were developed in consultation with Canadians through the establishment of the External Advisory Panel, a formal survey of clients, and an on-line questionnaire.

CHS also continued to enter into private- and public-sector partnerships to conduct hydrographic surveys. Data collected is used to support the Canadian Hydrographic Service charting program; in some cases, depending on the type of data, the data may also support other program areas, such as the management of habitat and fisheries.

DFO continued to enhance maritime safety through its ongoing modernization initiatives

Work continued on the development of Automatic Identification System (AIS) shore infrastructure that is expected to improve vessel traffic safety surveillance capability. Originally conceived as a maritime safety initiative to significantly enhance the level of maritime safety and environmental protection in Canadian waters, AIS allows MCTS centres to accurately and efficiently identify and track vessels operating in vessel traffic zones. It will also contribute to maritime security by significantly enhancing the level of maritime domain awareness in Canadian waters. The project is scheduled for completion in 2007–2008. MCTS will be developing standards to ensure that AIS is integrated into vessel traffic management.

The implementation phase of the AIS project began in 2004-2005. The antenna, network, and backup power subsystems were designed and procured. Draft versions of the AIS technical statement of requirements, statement of work and specification were tabled, and are scheduled to be completed by

Fall 2005. The main AIS contract will be awarded in 2005-2006, with installations in 2006-2007. The project is scheduled for completion in 2007–2008. Regarding the Long-Range Identification and Tracking (LRIT) portion of the project, the AIS project team has been working with the international community on the regulation, design and implementation of the international LRIT system. The LRIT Safety of Life at Sea amendment may be adopted during the 81st session of the Maritime Safety Committee, in May 2006.

Life cycle management system

Integrated Technical Services (ITS) continued its implementation of life cycle materiel management through the ITS Strategy Project. The ITS Strategy will fulfil the life cycle materiel management, Human Resources Modernization and Modern Comptrollership requirements mandated by Treasury Board, while meeting the specific needs of the CCG asset base.

In the past year, the ITS Strategy focused on the development of life cycle management system processes and tools, as well as the alignment of the national ITS organizational structure.

Significant progress was made through the development of national life cycle management processes in the life cycle phases of concept, acquisition, in-service and disposal. Efforts in the coming year will focus on continued development, deployment and training in CCG-wide life cycle management policy and process and the continued application of Modern Comptrollership to our business practices.

The organizational design process is aligning the national ITS structure with nationally developed activities and processes. The high-level ITS organizational design (to the Director and Superintendent level) was approved by the Commissioner in June 2004. Work is now progressing on the design of the organization to the Supervisor and Supervisor minus one level. In the coming year, the organizational structure will be solidified and required staffing actions, aligned with the Human Resources Modernization Initiative, will commence.

Other activities

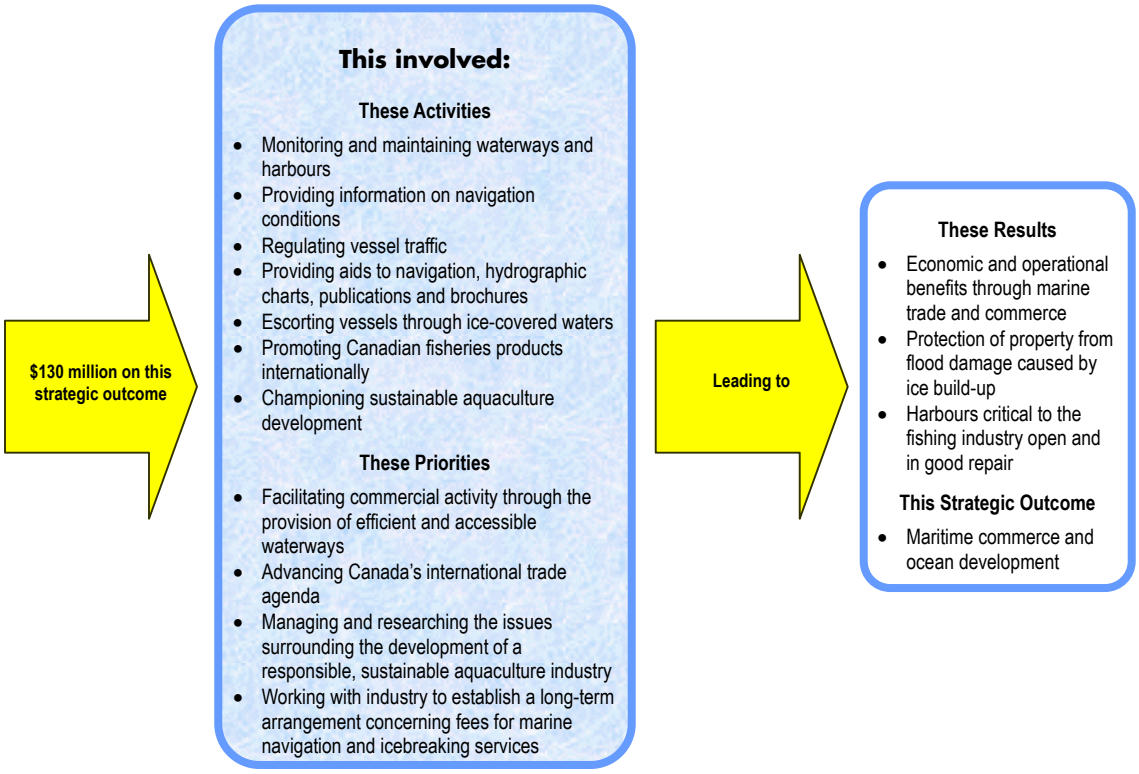
Contributing to a strong and mutually beneficial North American partnership

The Canadian Coast Guard is Canada's lead agency in the North Pacific Heads of Coast Guard Agencies. Consisting of six countries (Canada, China, Japan, Korea, Russia and the United States), this forum addresses illegal drug trafficking, migration, fishing and maritime terrorism through closer collaboration and common goals.

Canada hosted the 2004 meetings, which were notable for welcoming China as a full member and for the official signing of the Joint Statement of Intent to Further Develop Multilateral Cooperation. A new Automated Information Exchange software system was also successfully tested during a simulated exercise staged to provide a realistic incident in which member countries co-ordinate the surveillance and tracking of a vessel suspected of terrorist activity.

Maritime commerce and ocean development

Results chain



What's involved?

DFO supports maritime commerce and ocean development by:

- Monitoring and maintaining waterways and harbours;
- Providing information on navigation conditions;
- Regulating vessel traffic;
- Providing aids to navigation, hydrographic charts, publications and brochures on the Canadian aids to navigation system;
- Routing vessels safely and efficiently through or around hazardous ice conditions;
- Escorting vessels through ice-covered waters;
- Promoting Canadian fisheries products internationally; and
- Championing sustainable aquaculture development.

What did DFO spend?

Approximately 9% of the Department's total expenditures for 2004-2005 — or $130 million — was used for maritime commerce and ocean development

Who was involved?

DFO works with many partners to promote maritime commerce and ocean development, including:

- Volunteers, local interest groups and coastal communities;
- The commercial shipping industry, commercial user organizations and marine industry associations;
- Channel owners;
- Contractors and manufacturers;
- Mariners;
- Harbour authorities;
- The tourism industry;
- Aquaculturists; and
- Other federal government departments, provincial and municipal authorities, and national governments.

Partnerships are particularly essential to advancing the Department's international trade agenda. The Department also works with international agencies and commissions to regulate internationally shared waterways and ensure adequate water flows and safe navigation channels. DFO provides secretariat services and expert advice on usage rights to the International St. Lawrence River Board of Control, for example, and is also the Canadian Chief Delegate to the International Navigation Association. The Department seeks to influence international standards through its involvement with the International Association of Lighthouse Authorities, the International Association of Ports and Harbors, the International Association of Hydraulic Engineering and Research, and the International Maritime Organization.

What was accomplished?

DFO continued to facilitate commercial activity through the provision of efficient and accessible waterways

Compliance with channel design and usage guidelines

Through key activities such as the use of water-depth forecasts, channel surveys and monitoring the condition of navigation channels, the Canadian Coast Guard's Waterways Management Program strives to ensure the security and safety of Canada's waterways.

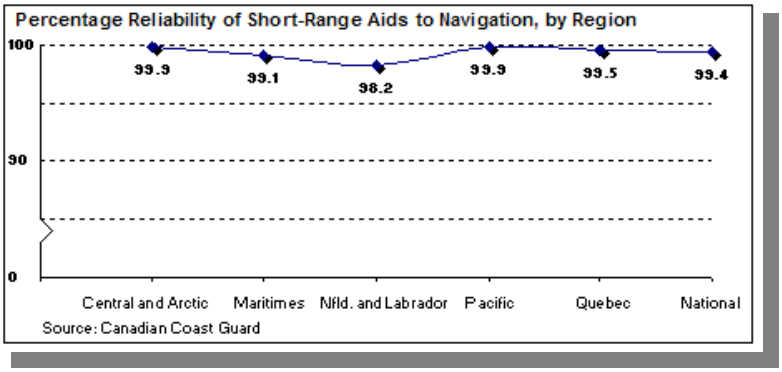
The Program monitored the condition of navigation channels to determine compliance with design dimensions (or "advertised" dimensions). The monitoring is done through surveys of the channel bottom. Cyclical in-depth reviews of the channels and channel usage were not conducted in 2004-2005 because of financial constraints. In 2004-2005, over 1,000 kilometres of channel were surveyed. This year, as in recent years, the surveys showed a number of kilometres of channel with below-standard depth.

Reliability of short-range and long-range navigation systems

Reliability is one of the most important and widely used measures of performance of our aids to navigation system. This system consists of short-range and long-range aids.

Lighted short-range aids comprise landfall lights, other fixed lights, large buoys and all other lighted buoys. The reliability of these aids is affected by several external factors such as weather and unplanned maintenance.

In 2004, the national level of reliability of short-range aids was 99.4 %, slightly higher than the 99.0% achieved in 2003. This level of reliability meets the national CCG standard of 99% and exceeds the International Association of Lighthouse Authorities absolute minimum standard of 95%.



Long-range aids to navigation use different types of equipment and have different principles of operation. Despite this, these aids use the same measure of reliability as the main parameter of system performance. The Differential Global Positioning System provides double coverage over the most important waterways.

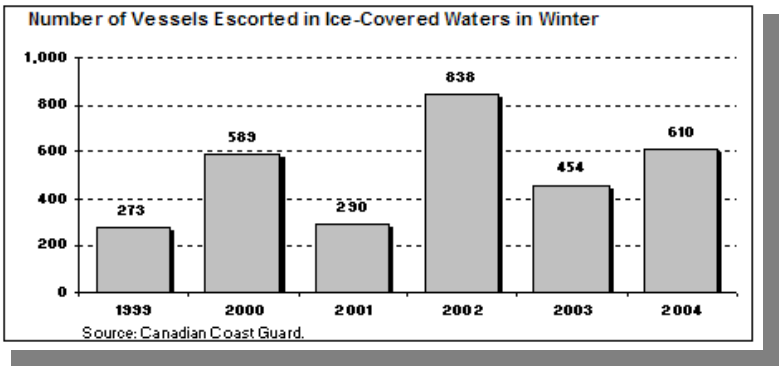
In 2004, the reliability of long-range aids did not change in comparison with the previous year and remained very high at 99.998%. It exceeded the current national standard for this type of system — 99.80%.

Icebreaking services

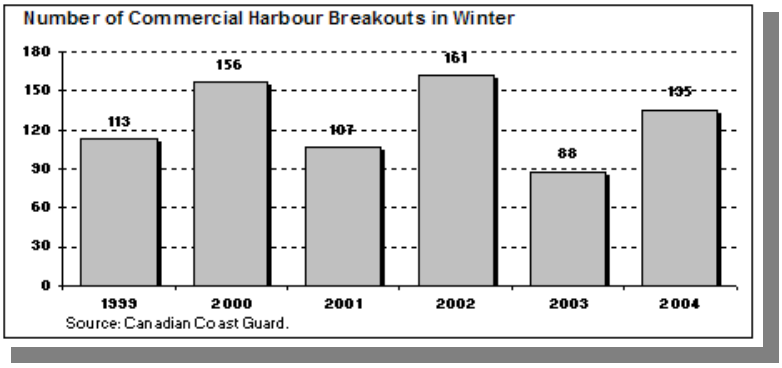
In 2004-2005, CCG continued to deliver its icebreaking program, consulting with clients and partners to ensure that the program's services are meeting client needs.

The number of requests for CCG icebreaking services depends on meteorological and ice conditions. Because the variability of ice conditions in all regions is extremely high, making year-to-year predictions of icebreaking service requirements is difficult. That said, there is a steady increase in maritime traffic during the winter.

The following chart shows the number of vessels escorted by CCG in ice-covered waters in winter. Compared with the extremely difficult year of 2002, the past two years were relatively favourable for winter navigation; the number of vessels escorted was close to the average for the past decade.



Every year, CCG icebreakers assist port authorities by keeping commercial harbours accessible for longer periods than they would be without human intervention. Since CCG does not compete with private-sector icebreaking tugs for harbour breakouts, it breaks ice only in harbours where commercial icebreaking tugs are not available. The demand for breakouts of commercial harbours was higher than in the previous year but close to the average.



The Canadian Coast Guard requires high-quality ice information to route marine shipping safely and efficiently through difficult areas of ice-covered waters. Ice information is also used for the effective operation of icebreakers that provide ship escorts, track maintenance in shipping channels, ice jam/flood prevention, harbour/wharf breakouts, northern re-supply missions and Arctic sovereignty patrols. CCG contributes funding each year to the Canadian Ice Service (Environment Canada) for Ice Information which is acquired from aircraft reconnaissance, satellites, icebreakers and helicopters, as well as weather and ice modelling systems. The data is analyzed and numerous products are developed for CCG, where they are disseminated to vessels, ports and other clients.

In 2004, CCG conducted an Ice Information Level of Service Review to produce options for efficiencies and improvements to the current services, including an Amalgamated Aerial Reconnaissance Program. Ice reconnaissance flights have been combined with Transport Canada's pollution surveillance flights to improve the utilization of the aircraft and reduce duplication of aerial coverage. The multi-mission flights started in January 2005 and will produce savings for CCG.

Provision of radio communications and vessel traffic services

DFO screens and regulates the entry and movement of vessels in Canadian waters. By providing reliable marine communications and traffic services, the Department also makes a significant contribution to the timeliness of vessel transits. Twenty-two communications centres throughout Canada provide services 24 hours a day/365 days a year (except for seasonal communications centres) to several main client groups, including commercial and fishing vessels, recreational boaters, ports, the shipping and marine industry, pilots and the general public.

DFO representatives attend the annual Canadian Marine Advisory Committee meetings. Presentations are made to the clients and stakeholders with regard to all new developments, changes in services or changes in procedures that took place during the past year or will take place in the coming year.

Regulation of internationally shared waterways

The regulation of internationally shared waterways to ensure adequate water flows and safe navigation channels falls to a number of international agencies and commissions. In its international partnership with the co-deliverers of these regulations, the Waterways Management Program plays a part. The Program provides secretariat services and expert advice on usage rights to the International St. Lawrence River Board of Control and is the Canadian Chief Delegate on the International

Navigation Association. The Program also influences international standards and is involved with the International Association of Lighthouse Authorities, the International Association of Ports and Harbors, International Association of Hydraulic Engineering and Research and the International Maritime Organization. In addition, the Program provides outflow volume directives to the Canada-Ontario St. Lawrence Outflow Control Agreement Board.

Additional co-deliverers include other government departments such as Public Works and Government Services Canada, Transport Canada, Environment Canada, branches of DFO (such as the Canadian Hydrographic Service and Small Craft Harbours), other marine programs, Estuary/River Management Boards, marine industry associations, pilotage authorities, ports and channel owners. These co-deliverers provide expert advice, guidance, resources and support.

DFO continued to advance Canada's international trade agenda

The Department has worked with other government departments to develop an international fisheries and governance strategy that will address international fisheries and oceans issues through international co-operation and action. This initiative has been funded and will be implemented over a three-year period beginning in 2005-2006.

Guidelines and guidance to co-ordinate the crosscutting and departmental international agenda are being provided through the Directors General International Committee. The mandate of the Committee is to serve as a cross-sectoral forum for senior departmental officials involved in international matters to exchange information, establish linkages, integrate and co-ordinate DFO initiatives that have international implications, tasking out, and generally to contribute to the development of a horizontally integrated international strategy for the Department. The scope of the Committee also covers linkages to initiatives with other government departments and the broader government agenda.

Also, DFO has established an Assistant Deputy Minister (ADM) and Directors General Committee on International Fisheries and Governance as the primary means of sharing information on developments and activities related to this initiative. Occasional updates are also provided to the DFO Departmental Management Committee, chaired by the Deputy Minister. Finally, an interdepartmental working group made up of DFO, Foreign Affairs Canada, National Defence, Canadian Coast Guard and Department of Justice officials is in place to share information and undertake joint planning as needed to advance initiatives under the international fisheries and governance strategy. Such planning includes preparing for key international meetings and providing advice to an Interdepartmental ADM Committee that has also been established to provide the long-term orientation of the international fisheries and governance initiative.

DFO collaborated with Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, Health Canada, provinces, territories and business leaders at the Seafood Value Chain Roundtable. The Department also collaborated with provincial and industry officials to promote the Canadian fish and seafood industry at the 2005 International Boston Seafood Show. Finally, DFO was an active member of Team Canada Inc. in 2004-2005.

When Canada tabled its national action plan on IUU fishing at the FAO in March 2005, it became only the sixth country to do so. As well, through its membership in the High Seas Task Force on Illegal, Unregulated and Unreported Fishing, Canada has played an influential role in combating global IUU fishing. The objective of the Task Force is to formulate a pragmatic and prioritized action plan that is both analytically sound and politically feasible and will act as a vehicle for improved decision making.

In 2004-2005, DFO collaborated with Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, Health Canada, provincial and territorial governments and business leaders throughout the

entire fish and seafood value chain at meetings of the Seafood Value Chain Roundtable. These Roundtables were created by Agriculture and Agri-Food Canada as a vehicle for developing industry-led strategies for international market success. In the future, these Roundtables may include roundtables that link these market strategies with plans for domestic action and investment that will help develop and sustain a Canada brand.

DFO was represented at the November 2004 meeting of the WTO Negotiating Group on Rules, which is responsible for developing improved fisheries subsidy disciplines. DFO has also participated in developing Canada's position in the WTO Non-Agricultural Market Access Negotiations, in which tariff elimination is addressed. Resource constraints have prevented members of this group from travelling to Geneva to attend meetings of the Non-Agricultural Market Access Negotiating Group.

DFO has participated in a working group with International Trade Canada to ensure that agricultural trade advocates in U.S. posts are appropriately briefed on emerging issues.

DFO's work on the National Aquatic Animal Health Program will, through an enhanced surveillance and certification regime for aquatic species, help protect Canada's seafood exports and bolster Canada's position in the fish and seafood markets of the world.

There have been no meetings of the Free Trade Area of the Americas negotiating groups since 2003, given the inability of the U.S. and Brazilian co-chairs to agree on a way forward for these negotiations. Consequently, no outcomes in this regard were achieved in 2004-2005.

DFO continued to manage and research the issues surrounding the development of a responsible, sustainable aquaculture industry

Creating a climate conducive to responsible aquaculture development involves numerous challenges. Given that responsibility for aquaculture is shared by the federal, provincial and territorial governments, maintaining the relationships needed to address key aquaculture development issues in a timely manner can be challenging. In addition, it is essential that the public understand the challenges and opportunities associated with the sustainable aquaculture industry.

In the fiscal year 2004-2005, DFO continued to implement the comprehensive Aquaculture Action Plan. In an effort to improve the regulatory and policy framework for sustainable aquaculture development, several initiatives were undertaken:

- DFO held focus-group evaluations across the country, in 11 centres, to better understand Canadians' perceptions and expectations of the aquaculture industry and the role that government plays in that industry. This work will be shared with the provinces to help address aquaculture issues, shape future policy decisions and contribute to the development of a communications strategy.
- DFO increased information sharing among federal agencies by working collaboratively on emerging issues on an ongoing basis. For example, DFO has worked with Health Canada, the Canadian Food Inspection Agency, the Public Health Agency of Canada and Agriculture and Agri-Food Canada to develop models that examine the influences on consumer decision making regarding farmed salmon. Similarly, DFO collaborated with the Canadian Food Inspection Agency and Health Canada on issues related to aquacultural products and continued to work with Agriculture and Agri-Food Canada on the Seafood Value Chain Roundtable as a member.

Significant progress was also made last year in harmonizing the site application and review process for aquaculture sites. Federal and provincial representatives have developed strong communication networks to facilitate information sharing on site applications. A national site review working group was

established to streamline the review process under the *Fisheries Act* and the *Canadian Environmental Assessment Act* and meet the Minister's commitment to a 6-month turnaround for site reviews.

Other achievements in 2004-2005 included the following:

- Providing guidance and comments to inform the Canadian Aquaculture Industry Alliance's initiative to develop a national code system on sustainable aquaculture. This will provide a framework for local associations to base their code development on.
- Undertaking a review with provincial partners of the National Code on Introductions and Transfers of Aquatic Organisms. Following this review, DFO reaffirmed its commitment to manage the Code.
- Endorsing the development of a comprehensive Aquaculture Framework Agreement that would apply nationally. Under such an agreement, both the governance of and the programming support to Canada's aquaculture industry would be renewed; these are key steps in restoring public and consumer confidence in the industry.
- Developing an access policy that facilitates access to wild fish and aquatic plant resources for aquacultural purposes.
- Developing and starting the Environmental Process Modernization Plan (EPMP), which aims to improve the Department's effectiveness in carrying out activities to protect fish habitat.

DFO continued to work collaboratively with industry to establish a long-term arrangement concerning fees for marine navigation and icebreaking services

DFO continued to support the establishment of a long-term arrangement with the commercial marine transportation industry concerning fees for marine navigation and icebreaking services. CCG provides these services to industry on a partial cost-recovery basis, representing a direct source of operating revenue for the Department.

In sharing the desire for a long-term arrangement, the commercial marine transportation industry, as represented by the National Marine and Industrial Coalition, has proposed the elimination of Marine Services Fees as soon as possible. DFO has maintained that it is reasonable that industry shoulders at least part of the costs, as CCG's services provide value to industry recipients beyond what Canadians in general receive.

CCG continues to participate in the work of the Department's External Charging Review, which will develop recommendations for a future approach to the fees within that context. DFO remains committed to consulting the shipping industry before taking any decision concerning a future approach to these fees.

Did you know?

The key Harbour Authority services include:

- Dockside (capstans, lighting, waste disposal)
- Equipment and gear storage
- Landing piers and loading wharfs
- Launching ramps
- Shore power and water
- Wave protection and breakwaters
- Fuelling, service and repair facilities

Other activities

Harbour Authority Initiative

The Harbour Authority Initiative was introduced in 1988 in recognition that individual communities are in the best position to manage local harbour facilities and decide which services are required. Harbour Authorities are non-profit, locally controlled organizations whose members have strong ties to the community and the local fishing industry. In virtue of its volunteer nature, this management model financially benefits the Small Craft Harbours Program and increases the service level to the fishing community and other users. Compared with 2003-2004, where 17 new Harbour Authorities were formed, 10 new Harbour Authorities were formed in 2004-2005 to bring the total to 569 Harbour Authorities managing 647 harbours. It is estimated that more than 5,000 volunteers working approximately 60,000 hours per year have been actively participating in this Initiative since its inception.

http://www.dfo-mpo.gc.ca/sch/home-accueil_e.html

Small Craft Harbours offers support and advice to local Harbour Authorities, monitors the overall physical condition of the harbours and, as owner of the facilities, provides funding and project management for the maintenance of facilities. Again this fiscal year, the Department invested $500,000 ($100,000 per region) on activities aimed at strengthening Harbour Authority management and operational capacity.

Divestiture program

As a result of a Cabinet decision in 1995, the mandate of Small Craft Harbours was narrowed to make the program more affordable. The key objective of the DFO Small Craft Harbours Program is to keep only harbours critical to the fishing industry open and in good repair. All recreational and low-activity fishing harbours are to be divested. Most harbours removed from the DFO inventory have been transferred to municipalities at a nominal cost of $1. A total of 898 harbours have been divested and $61.8 million expended on this Program since 1995.

Did you know?

It has been government policy to ensure that services to the public from divested harbours continue after divestitures.

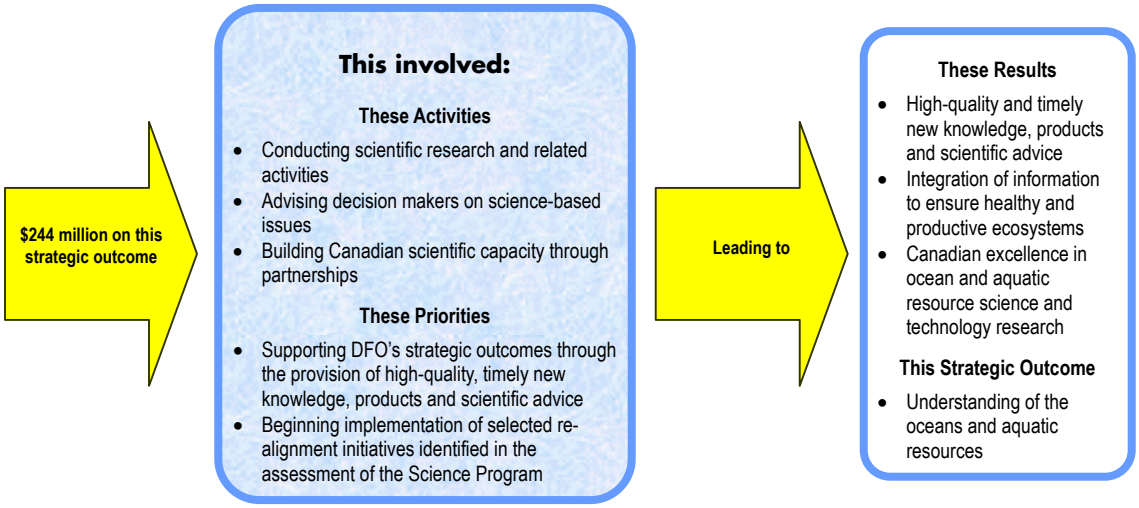
The condition of all harbours awaiting divestiture is closely monitored to ensure they are not a threat to public safety.

In 2004-2005, 26 harbours were divested compared with 27 harbours divested in 2003-2004. While divestiture of recreational and non-essential fishing harbours is still a DFO priority, progress slowed significantly since the sunset of the special two-year fund of $24 million announced in the 2000-2001 Federal Budget.

As of March 31, 2005, the national inventory of Small Craft Harbours consisted of 1,240 harbours, of which 363 remain to be divested. Although it is estimated that over $65 million is required to divest these 363 harbours, the Small Craft Harbours Program can currently allocate only $1.5 million of its budget each year to divestiture.

Understanding of the oceans and aquatic resources

Results chain



What's involved?

DFO conducts scientific research and related activities that are vital to the understanding and sustainable management of Canada's oceans and aquatic resources. This scientific knowledge assists in decision making and in the development of policy, regulations and standards. The Department undertakes research and related activities — including the management and dissemination of data, information and knowledge — in these major program areas:

- **Fisheries research** — providing advice on the status of fish stocks and on conservation objectives, as well as information on marine ecosystem issues and species at risk;
- **Environmental and biodiversity science** — providing advice on the capacity of fish habitats to sustain fish production, as well as the effects of human activities on fish, fish habitat, aquatic ecosystems and biodiversity;
- **Oceanography** — conducting physical and biological oceanographic research (including ocean climate studies), providing environmental descriptions and providing advice on environment/ecosystem interactions;
- **Aquaculture** — monitoring wild and cultured stocks of finfish and shellfish for disease, conducting research on biological and sustainable production, conducting research on fish health and environmental interactions, and transferring technology to Canada's aquaculture industry; and
- **Hydrography** — surveying, measuring, describing and charting the physical features of Canada's oceans, seas, rivers and lakes.

What did DFO spend?

Approximately 17% of the Department's total expenditures for 2004-2005 — or $244 million — was used to enhance and further our understanding of the oceans and aquatic resources.

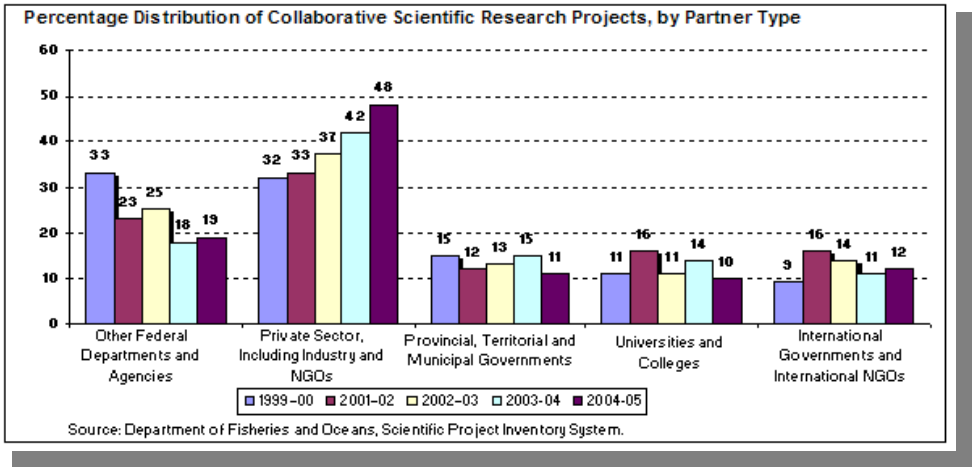
Who was involved?

Working with partners in Canada's marine and freshwater science community to achieve results

The integrated management and use of Canada's marine and freshwater environments requires a strong science base to support the knowledge requirements associated with decision making. As one of the key players in Canada's marine and freshwater science community, the Science Program within DFO works with the national and international science community to increase our understanding of Canada's oceans and aquatic resources.

Although the Department's contribution remains significant, the most recent statistics indicate that the number of oceanology and limnology publications co-authored with other Canadian researchers from universities, the private sector, other federal government departments and other levels of government has decreased. In 2003, 35% of the Department's publications in this discipline were written with other Canadian researchers, whereas in 2002, 49% of the publications were co-authored. This decrease is in contrast with the longer term trend toward a steady increase in the number of collaborative publications with other researchers. In the field of marine biology and hydrobiology, in 2003, 59% of the publications were co-authored with other Canadian researchers. This represents an increase over the longer term average of 51% in this discipline.

In addition to the co-authoring of scientific publications, the Department's Science program also engages in collaborative scientific research projects. In 2004–2005, DFO scientists were involved in about 426 research collaborations. The overall number of projects has remained relatively constant in recent years, but there continues to be a shift in the distribution of our partners, from other federal government departments and agencies to the private sector. The scope of our partners in collaborative research projects is as diverse as the many challenging science-based issues that impact the management and use of Canada's marine and freshwater environments.



What was accomplished?

DFO continued to support its strategic outcomes through the provision of high-quality, timely new knowledge, products and scientific advice

http://www.dfo-mpo.gc.ca/species-especes/home_e.asp

In the year ended March 31, 2005, DFO continued to undertake science in support of longstanding responsibilities such as assessing the status of the fishery resource and habitat management. In addition, the Department focused on increasing the knowledge base required to inform decision

making, the development of policy, and the development of regulations and standards on the following newer and emerging issues.

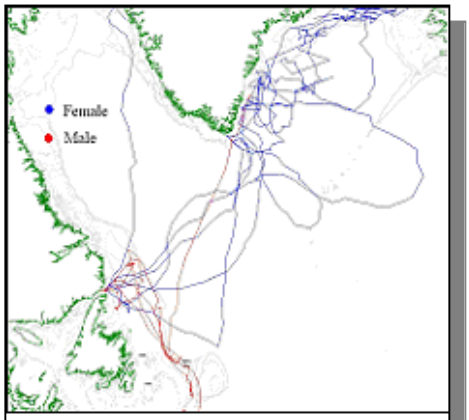
Species at risk

As the Department with the lead authority for aquatic species under the *Species at Risk Act* (SARA), DFO is required to perform certain recovery and protection activities that support implementation and enforcement of the Act. In 2004-2005, the DFO Science Program:

- Provided advice on the status of approximately 20 species being considered for listing under the Act;
- Assisted in the development and implementation of recovery strategies and action plans for approximately 25 species currently listed in Schedules 1 and 2 of the Act;
- Conducted allowable harm assessments for ten marine species in accordance with prohibitions against the killing, harming, harassing, capturing or taking of individual members of a species at risk;
- Held a National Advisory Process meeting to review case studies on critical habitat;
- Continued to work with Environment Canada on the development of a Critical Habitat Policy for the Government of Canada; and
- Made progress on the determination of risks, likelihood of extinction and hence the feasibility of recovery for a number of species at risk.

Impact of seals on fish stocks

Canada's northwest Atlantic waters hold the biggest populations of harp, hooded and grey seals in the world. DFO, in collaboration with various partners, initiated a two-year seal research program designed to explore the relationship between seals and fish stocks. Aerial surveys to derive population estimates for harp, hooded and grey seals were completed in 2004-2005. The satellite tagging of approximately 100 seals has yielded insights into the mapping of seal routes, dive behaviour and swimming speed that has enabled improved modelling of seals' interactions with Atlantic groundfish. As part of this research program, an innovative technique to determine a seal's diet over time was developed. In a world first, researchers showed that the proportion of different fatty acids in seal blubber reflects the proportion of different fish species in its diet. A report summarizing the main results of this two-year seal research program, along with results of other marine mammal research activities, is scheduled for completion in 2006.



Portion of a migration plot of hooded seals tagged in Newfoundland. (Courtesy of M. Hammill)

http://www.dfo-mpo.gc.ca/science/story/seals_e.htm

Did you know?

DFO's DNA fingerprinting technique can also be used by enforcement officers in forensic analysis to identify confiscated products and trace them to their species or stock of origin. DFO has successfully prosecuted cases dealing with salmon and abalone on the basis of DNA evidence.

Application of genomics and biotechnology

Genomics and biotechnology are playing increasingly important roles as tools in sustainable resource management and environmental conservation and protection. In 2004-2005, genetic markers were used in select fishery populations to map the genome structure of aquatic species. This information helped fisheries managers identify specific strains and make decisions about the timing of the fishery to ensure that only commercially viable populations are fished.

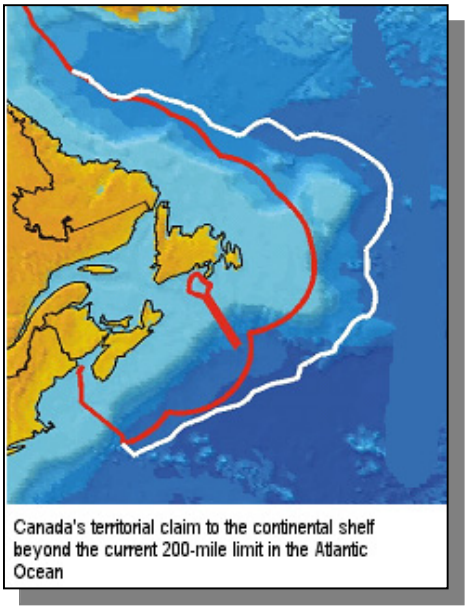
The Department has also made significant progress with bioremediation and bioaugmentation techniques. These techniques make possible the elimination or reduction of contaminants, such as oil, in marine environments. DFO scientists are also using state-of-the-art DNA tools to decipher the genetic code of infectious agents. In the past, scientists have been challenged by the fact that a fish or

shellfish may carry a pathogen with no readily detectable sign of infection. The accuracy of DNA testing in detecting and diagnosing disease in fish and shellfish represents a significant advancement.

http://www.bioportal.gc.ca/splash.asp

United Nations Convention on the Law of the Sea

Canada ratified the United Nations Convention on the Law of the Sea on November 7, 2003. Canada has 10 years from the date of the ratification to submit evidence to the United Nations Commission for the Limits of the Continental Shelf to support its territorial claim to the continental shelf beyond the current 200-mile limit.



Canada's territorial claim to the continental shelf beyond the current 200-mile limit in the Atlantic Ocean

In support of Canada's claim, planning for bathymetric and seismic work has been initiated. A project office was established in 2004-2005 at the Bedford Institute of Oceanography, and the project team has started assembling existing data and determining data acquisition needs and activities. Bathymetric surveys in the Atlantic are scheduled to begin in 2005, Arctic survey work in 2006.

http://www.dfait-maeci.gc.ca/department/focus/UNCLOS-en.asp

Approximately two-thirds of the mapping effort will be in the Arctic, where data are limited and conditions are very challenging. The planning efforts of the past year have shown that the level of effort is significantly greater than originally estimated.

Aquatic invasive species

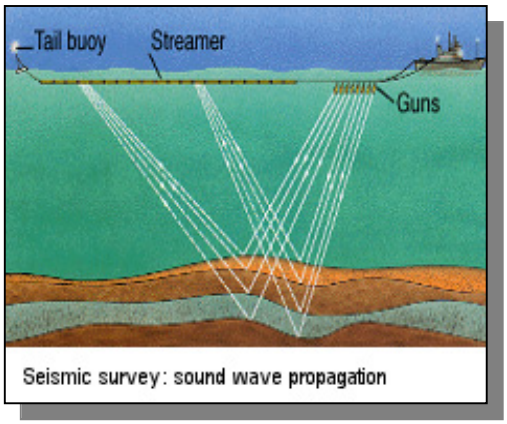
Aquatic invasive species are a large and growing problem in Canada. In the past year, DFO contributed to the development of knowledge and understanding of this issue by:

- Assisting in the development of the Canadian Action Plan to Address the Threat of Aquatic Invasive Species. Work has also begun on the associated Implementation Strategy.
- Completing a risk assessment of Asian carp, imported for live food and the control of aquatic vegetation.
- Providing scientific advice to Transport Canada on alternative ballast water exchange zones in the Pacific Coast, Scotian Shelf and Laurentian Channel in support of regulatory decision-making requirements.
- Continuing to sponsor an Invasive Species Research Chair at the University of Windsor to build knowledge and develop national scientific capacity.
- Collaborating with the University of Windsor in the development of a Canadian Aquatic Invasive Species Research Network.
- Continuing a pilot project to establish a Web-based aquatic invasive species database to enable information sharing on a national basis.

http://www.dfo-mpo.gc.ca/csas/Csas/status/2005/SAR-AS2005_001_e.pdf

Energy exploration and development

With the increased interest in energy exploration and development on the East and West Coast and in the Arctic, a better understanding of the potential environmental effects of offshore oil and gas development is essential. In 2004-2005, under the coordination of the Department's Centre for Offshore Oil and Gas Environmental Research, the research agenda focused on the impacts of seismic survey operations on fish, invertebrates, marine turtles and marine mammals; standards and methods used by international bodies to mitigate the effects of seismic energy; models used to predict sound propagation in marine waters; and the measurement of near and far-field sound propagation during actual seismic surveys.



Seismic survey: sound wave propagation

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/infocentre/media/seismic-sismique/statement_e.asp

The knowledge gained from this research was used to develop a Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment. The oil and gas industry and the geophysical community (government, as well as domestic and foreign researchers) will be guided by this Statement when they conduct such surveys in Canada.

Sustainable aquaculture development

While aquaculture is a relatively new commercial activity in Canada and in many other parts of the world, it already occupies a significant position in the seafood production sector. Through the Department's Aquaculture Collaborative Research and Development Program (ACRDP), DFO and the aquaculture industry jointly fund innovative research and sustainable development of the Canadian aquaculture industry. To date, over 110 ACRDP research projects have been initiated. In 2004-2005, 70 ACRDP projects were funded in the areas of aquaculture production, environmental interactions and aquatic animal health. An independent review of the Program has been completed, and recommendations arising from the review are currently being evaluated. Overall, the review indicated the Program has been successful in achieving intended objectives.

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/habitat/index_e.asp

DFO and the University of British Columbia established the Centre for Aquaculture and Environmental Research at the Department's laboratory in West Vancouver. The Centre will focus on issues of critical and immediate importance to sustainable fisheries, wild stock and aquaculture in Canada and beyond.

http://www.dfo-mpo.gc.ca/science/aquaculture/acrdp_e.htm

DFO continued to review selected realignment initiatives identified through the assessment of the Science Program to ensure alignment of knowledge requirements with departmental and government-wide priorities

The launch of the Expenditure Review Committee initiative in April 2004 affected the planned implementation of Science Program options for realignment identified under the Departmental Assessment and Alignment Project, completed in 2003-2004. Further analysis of the Science Program and re-evaluation of previously identified options was required to ensure the best possible outcome against program realignment objectives while taking into account Expenditure Review requirements. The analysis also provided an opportunity to reassess all Science programs and activities against the newly established departmental strategic outcomes.

Under the review, all of the Department's scientific activities were grouped into distinct clusters that represented areas of effort, such as stock assessment, species at risk and climate change. Associated

human and financial resources were identified for each cluster area. The clusters were then assessed for alignment with DFO's newly established strategic outcomes and were evaluated for relevance, effectiveness and affordability. The Department also examined ways of rebalancing and refocusing available resources to better match ongoing and new commitments and to modernize the delivery of scientific services, such as the delivery of scientific advice, information and products.

This comprehensive analysis has provided the foundation for the implementation of long-term changes to the Science Program that will better support new and evolving priorities, including increased support for Canada's Oceans Action Plan. The implementation of Program changes is scheduled to start in 2005-2006.

Section 3 — Supplementary Information

In this section:

- Overview
- Trend analysis
- Financial tables
- Information on other reporting requirements

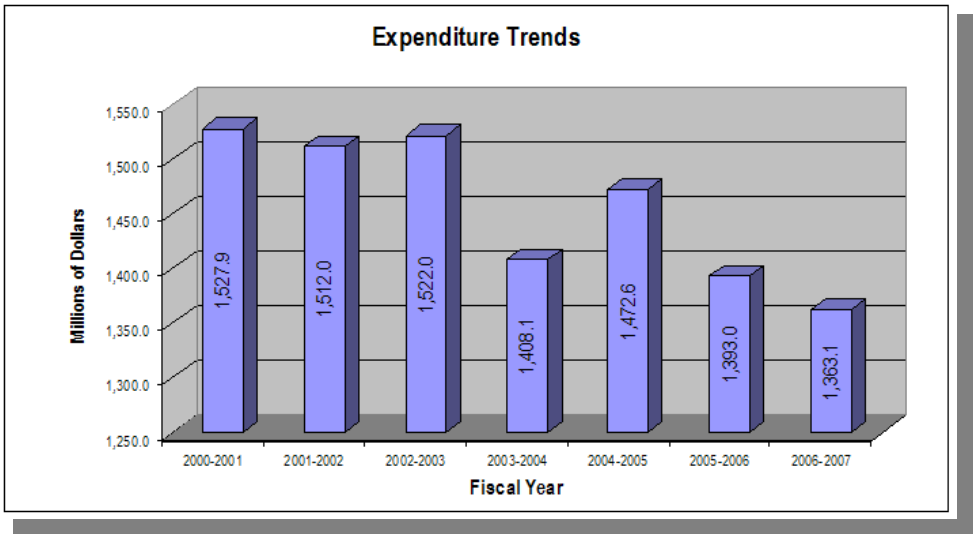
Overview

This section presents:

- A trend analysis of recent departmental spending;
- Financial tables; and
- Information on other reporting requirements.

Trend analysis

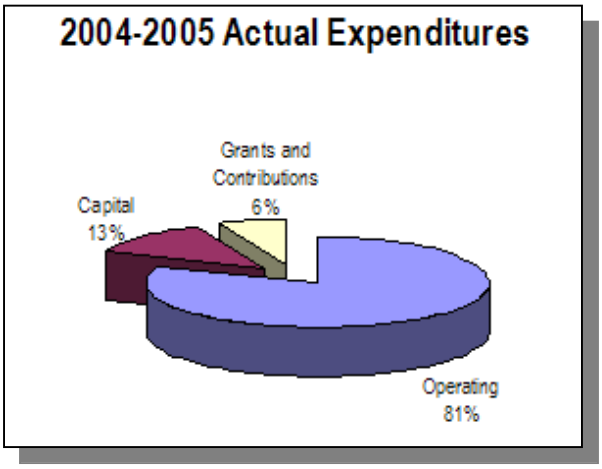
The Department's total actual spending for the 2004-2005 fiscal year was $1,472.6 million. This represents an increase 4.6% from 2003-2004.



Note: 2000-2001 to 2004-2005 indicates Actual Spending; 2005-2006 to 2006-2007 indicates Planned Spending.

The chart above illustrates the Department's spending (actual and planned) from 2000-2001 to 2006-2007. Expenditures have fluctuated recently because of the winding down of the Fisheries Access Program.

The chart that follows shows the breakdown of actual expenditures for 2004-2005. In this chart, Operating includes statutory expenditures.



Financial tables

The financial tables presented in this section provide the following information on the Department:

- Total Main Estimates as reported in the *2004-2005 Estimates*.
- Total planned spending at the beginning of the year as reported in the *2004-2005 Estimates: Report on Plans and Priorities*. This includes Main Estimates plus anticipated approvals planned through subsequent Supplementary Estimates exercises.
- Total authorities as approved by Parliament (Public Accounts of Canada for 2004-2005).
- Total actual spending (Public Accounts of Canada for 2004-2005).

Please note that the figures in the following tables have been rounded to the nearest million. For this reason, figures that cannot be listed in millions of dollars are shown as 0. Because of rounding, figures may not add to the totals shown.

Voted and statutory items

Table 1 summarizes the resources that Parliament approved for the Department through *Appropriation Acts*. Votes seek authority to make expenditures necessary to deliver various mandates that are under the administration of a Minister and are contained in legislation approved by Parliament. Fisheries and Oceans Canada has three votes: Operating expenditures (Vote 1), Capital expenditures (Vote 5) and Grants and Contributions (Vote 10). Statutory ("S") authorities are those that Parliament has approved through other legislation that sets out both the purpose of the expenditures and the terms and conditions under which they may be made. Statutory spending is included in the Estimates for information only.

The total authorities of $1,558 million presented in the table are based on the 2004-2005 Public Accounts.

Table 1: Voted and statutory items, 2004-2005 (millions of dollars)

Vote		Main Estimates	Planned Spending	Total Authorities	Actual
1	Operating	1,034.4	1,033.0	1,094.8	1,078.4
5	Capital	206.8	198.6	207.4	184.4
10	Grants and Contributions	107.5	114.3	140.3	95.0
(S)	Minister of Fisheries and Oceans – Salary and motor car allowance	0.1	0.1	0.1	0.1
(S)	Contributions to employee benefit plans	122.0	122.0	113.7	113.7
(S)	Spending of proceeds from the disposal of surplus Crown assets	—	—	1.6	1.0
(S)	Refunds of amounts credited to revenues in previous years	—	—	0.1	0.1
	Total	**1,470.8**	**1,468.0**	**1,558.0**	**1,472.6**

Variance between planned spending and total authorities

The Main Estimates for Fisheries and Oceans Canada for 2004-2005 was $1,470.8 million; however, planned spending for the Department was $1,468 million (a 0.2% reduction). The Department concluded the year with the authority to spend $1,558 million. This represents an increase of $90.0 million from planned spending. The following explains the net change ($90 million) between planned spending and total authorities:

- A transfer of resources from the 2003-2004 fiscal year related to the Fisheries Access Program ($31.5 million);
- Program-specific operating budget carryforwards from 2003-2004 ($20.6 million);
- Incremental personnel costs as a result of the negotiation of collective agreements ($19.2 million);

- Marine security funding for additional presence in water patrol and air surveillance ($15 million); and
- Various other increases such as the Northern Hydro Carbon Development Mackenzie Gas Project ($3.7 million).

Variances between total authorities and actual spending will be discussed later.

Historical comparison of actual spending by business line

Table 2 offers a historical perspective on departmental resources by business line.

Table 2: Historical comparison of actual spending by business line (millions of dollars)

Business Line	Actual Spending 2002-2003	Actual Spending 2003-2004	Actual Spending 2004-2005
Marine Navigation Services	76.6	78.9	87.7
Marine Communications and Traffic Services	73.9	79.8	97.9
Icebreaking Operations	48.3	45.4	48.4
Rescue, Safety and Environmental Response	117.0	101.0	105.3
Fisheries and Oceans Science	181.7	173.9	171.7
Habitat Management and Environmental Science	102.6	92.7	91.6
Hydrography	37.7	34.1	36.3
Fisheries Management	319.5	280.1	299.4
Harbours	94.2	97.8	96.6
Fleet Management	145.2	144.7	163.6
Policy and Internal Services	325.3	279.7	274.2
Total	**1,522.0**	**1,408.1**	**1,472.6**

The overall increase in spending of $64.5 million from 2003-2004 to 2004-2005 is mainly due to increases in Fisheries Management, Fleet Management, and Marine Communications and Traffic Services business lines:

- Fisheries Management ($19.3 million). The increase of $19.3 million in spending is primarily attributable to an increase of $15.4 million in grants and contributions spending. This is a result of faster progress in the retirement of commercial fishing licences and issuance of communal licences to Aboriginal groups under the response to the Supreme Court of Canada's *Marshall* decision. The remaining increase in spending was due to new program funding.
- Fleet Management ($18.9 million). Additional funding related to marine security was received for increased surveillance activities ($15.0 million) and salary adjustments resulting from collective bargaining contract settlements.
- Marine Communications and Traffic Services ($18.1 million). The majority of the $18.1 million increase is related to an increase in capital expenditures ($14.0 million). The remaining $4.1 million is under the operating vote in salary. This is explained by rising staffing costs related to operating Marine Communications and Traffic Services centres on a 24/7/365 basis and to higher salary costs from contract settlements.

Resource use by business line

Table 3 provides a breakdown of the Department's Main Estimates, planned spending, total authorities and actual expenditures for each business line.

Table 3: Resource use by business line, 2004-2005 (millions of dollars)

Business Line	Operating[1]	Capital	Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Marine Navigation Services						
Main Estimates	*115.8*	*8.5*	*—*	*124.3*	*29.3*	*95.0*
Planned Spending	*110.2*	*6.2*	*—*	*116.4*	*29.3*	*87.1*
Total Authorities	*115.0*	*8.0*	*0.2*	*123.2*	*29.3*	*93.9*
Actual	**104.3**	**16.6**	**0.2**	**121.1**	**33.4**	**87.7**
Marine Communications and Traffic Services						
Main Estimates	*63.5*	*25.0*	*—*	*88.5*	*0.1*	*88.4*
Planned Spending	*64.9*	*28.0*	*—*	*92.9*	*0.2*	*92.7*
Total Authorities	*66.1*	*28.0*	*—*	*94.1*	*0.1*	*94.0*
Actual	**71.3**	**26.7**	**—**	**98.0**	**0.1**	**97.9**
Icebreaking Operations						
Main Estimates	*58.0*	*—*	*—*	*58.0*	*13.8*	*44.2*
Planned Spending	*58.0*	*—*	*—*	*58.0*	*13.8*	*44.2*
Total Authorities	*59.4*	*—*	*—*	*59.4*	*13.8*	*45.6*
Actual	**53.2**	**—**	**—**	**53.2**	**4.8**	**48.4**
Rescue, Safety and Environmental Response						
Main Estimates	*113.8*	*—*	*4.8*	*118.6*	*0.2*	*118.4*
Planned Spending	*102.1*	*—*	*4.6*	*106.7*	*0.2*	*106.5*
Total Authorities	*107.3*	*—*	*4.9*	*112.2*	*0.2*	*112.0*
Actual	**100.7**	**—**	**4.9**	**105.6**	**0.3**	**105.3**
Fisheries and Oceans Science						
Main Estimates	*166.5*	*0.5*	*0.9*	*167.9*	*—*	*167.9*
Planned Spending	*166.8*	*0.5*	*0.9*	*168.2*	*—*	*168.2*
Total Authorities	*175.3*	*0.5*	*1.4*	*177.2*	*—*	*177.2*
Actual	**169.2**	**1.2**	**1.3**	**171.7**	**—**	**171.7**
Habitat Management and Environmental Science						
Main Estimates	*89.6*	*—*	*—*	*89.6*	*—*	*89.6*
Planned Spending	*89.1*	*—*	*—*	*89.1*	*—*	*89.1*
Total Authorities	*92.2*	*—*	*1.1*	*93.2*	*—*	*93.2*
Actual	***90.0***	***0.6***	***1.0***	***91.6***	*—*	***91.6***
Hydrography						
Main Estimates	*30.7*	*0.5*	*0.0*	*31.2*	*—*	*31.2*
Planned Spending	*30.6*	*0.5*	*0.1*	*31.2*	*—*	*31.2*
Total Authorities	*32.3*	*0.5*	*0.1*	*32.9*	*—*	*32.9*
Actual	**33.9**	**2.3**	**0.1**	**36.3**	*—*	**36.3**
Fisheries Management						
Main Estimates	*194.9*	*—*	*100.9*	*295.8*	*—*	*295.8*
Planned Spending	*211.4*	*—*	*107.9*	*319.3*	*—*	*319.3*
Total Authorities	*217.1*	*—*	*131.7*	*348.8*	*—*	*348.8*
Actual	**211.9**	**1.0**	**86.5**	**299.4**	**—**	**299.4**
Harbours						
Main Estimates	*64.0*	*27.0*	*0.5*	*91.5*	*—*	*91.5*
Planned Spending	*64.0*	*27.0*	*0.5*	*91.5*	*—*	*91.5*
Total Authorities	*65.5*	*27.0*	*0.7*	*93.2*	*—*	*93.2*
Actual	**62.9**	**33.0**	**0.7**	**96.6**	*—*	**96.6**
Fleet Management						
Main Estimates	*84.1*	*82.0*	*—*	*166.1*	*—*	*166.1*
Planned Spending	*84.1*	*70.5*	*—*	*154.6*	*—*	*154.6*
Total Authorities	*97.5*	*79.6*	*0.0*	*177.1*	*—*	*177.1*
Actual	**112.2**	**51.4**	**0.0**	**163.6**	*—*	**163.6**
Policy and Internal Services						
Main Estimates	*222.8*	*63.2*	*0.4*	*286.4*	*3.7*	*282.7*
Planned Spending	*221.1*	*65.9*	*0.3*	*287.3*	*3.7*	*283.6*
Total Authorities	*229.8*	*63.8*	*0.3*	*293.9*	*3.7*	*290.2*
Actual	**224.0**	**51.7**	**0.3**	**276.0**	**1.8**	**274.2**
Total Main Estimates	**1,203.7**	**206.8**	**107.5**	**1,518.0**	**47.2**	**1,470.8**
Total Planned Spending	**1,202.3**	**198.6**	**114.3**	**1,515.2**	**47.2**	**1,468.0**
Total Authorities	**1,257.4**	**207.4**	**140.3**	**1,605.1**	**47.1**	**1,558.0**
Total Actual	**1,233.6**	**184.4**	**95.0**	**1,513.0**	**40.4**	**1,472.6**
Minus: Non-Respendable Revenue						
Planned Revenue						*(49.6)*
Total Authorities						*(49.6)*
Actual						**(62.7)**

[1] Operating expenditures include the following statutory items: Minister's salary and motor car allowance, contributions to employee benefit plans, spending of proceeds from the disposal of surplus Crown assets, and refunds of amounts credited to revenues in previous years. The operating expenditures presented are inclusive of expenditures related to respendable revenue, meaning that respendable revenue has not been deducted from the amount shown. The revenues are deducted separately to provide the net expenditures for the Department. Please see Table 5 for a complete description of respendable revenue.

Business Line	Operating[1]	Capital	Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Cost of services provided by other departments						
Planned Spending						*91.2*
Total Authorities						*97.0*
Actual						**97.0**
Net Cost of the Program						
Planned Spending						*1.509.6*
Total Authorities						*1,605.4*
Actual						**1,507.0**

Changes between planned spending and total authorities

Operating expenditures

Planned spending for operating expenditures was $1,202.3 million; however, the total authorities were $1,257.4 million. This represents an increase of $55.1 million. This difference is explained by additional approvals the Department received to cover incremental personnel costs as a result of the negotiation of collective agreements ($19.2 million), program-specific operating budget carryforwards ($20.6 million), the Fisheries Access Program ($8.0 million), and marine security ($15 million), as well as numerous small decreases ($7.7 million).

Capital expenditures

Planned spending for capital expenditures was $198.6 million; however, total authorities were $207.4 million. This represents an increase of $8.8 million (or 4.4%). The majority of the increase between planned spending and total authorities is attributable to the treatment of the funding for the ACV Quebec project. Because of delays in the construction schedule, the funds were not required in the 2004-2005 fiscal year; they will be moved to future fiscal years.

Grants and contributions

Planned spending for grants and contributions was $114.3 million; however, total authorities were $140.3 million. This increase of $26.0 million between planned spending and total authorities is primarily due to the transfer of resources related to the *Marshall* program ($23.5 million) from fiscal year 2003-2004 to fiscal year 2004-2005. The Supreme Court of Canada's *Marshall* decision affirmed a treaty right to fish, hunt and gather in pursuit of a "moderate livelihood" under the 1760-1761 treaties. The funding for the *Marshall* response is flexible, since the total funding can be shifted between years (i.e., if resources are not used in one fiscal year, they can be transferred to the following year).

Variances between total authorities and total actual spending

Operating expenditures

Total operating authorities were $1,257.4 million. Actual operating expenditures were $1,233.6 million, which was $23.8 million (or 1.9%) lower than total authorities. This variance consists of lapses directed by Treasury Board and various program carryforwards in accordance with Treasury Board policy.

Capital expenditures

Total capital authorities were $207.4 million. Actual capital expenditures were $184.4 million, which was $23 million lower than total authorities. The majority of this variance is attributable to specific major capital projects that did not proceed as initially expected. The Department received authority to move the associated funding to future fiscal years in accordance with revised major capital plans. As a result, such funds were not spent in the 2004-2005 fiscal year.

Grants and contributions

The total grants and contributions authorities were $140.3 million. The actual expenditures of $95.0 million were $45.3 million (or 32.3%) lower than the total authorities. This is attributable mainly to the retirement of fishing licences for Aboriginal groups. Though the actual retirement of licences increased from 2003-2004, the number of licences issued to Aboriginal groups was fewer than expected.

Resource use by organization and business line

Table 4 presents Main Estimates, planned spending, total authorities and actual spending by business line and organization.

Table 4: Resource use by organization and business line, 2004-2005 (millions of dollars)

Business Line	CCG		Oceans	Fisheries Management	Human Resources, Corporate Services and Policy	
Marine Navigation Services						
Main Estimates	*95.0*	—	—	—	—	*95.0*
Planned Spending	*87.1*	—	—	—	—	*87.1*
Total Authorities	*93.9*	—	—	—	—	*93.9*
Actual	**87.7**	**—**	**—**	**—**	**—**	**87.7**
Marine Communications and Traffic Services						
Main Estimates	*88.4*	—	—	—	—	*88.4*
Planned Spending	*92.7*	—	—	—	—	*92.7*
Total Authorities	*94.0*	—	—	—	—	*94.0*
Actual	**97.9**	**—**	**—**	**—**	**—**	**97.9**
Icebreaking Operations						
Main Estimates	*44.2*	—	—	—	—	*44.2*
Planned Spending	*44.2*	—	—	—	—	*44.2*
Total Authorities	*45.6*	—	—	—	—	*45.6*
Actual	**48.4**	**—**	**—**	**—**	**—**	**48.4**
Rescue, Safety and Environmental Response						
Main Estimates	*118.4*	—	—	—	—	*118.4*
Planned Spending	*106.5*	—	—	—	—	*106.5*
Total Authorities	*112.0*	—	—	—	—	*112.0*
Actual	105.3	—	—	—	—	105.3
Fisheries and Oceans Science						
Main Estimates	—	*167.9*	—	—	—	*167.9*
Planned Spending	—	*168.2*	—	—	—	*168.2*
Total Authorities	—	*177.2*	—	—	—	*177.2*
Actual	**—**	**171.7**	**—**	**—**	**—**	**171.7**
Habitat Management and Environmental Science						
Main Estimates	—	*22.4*	*67.2*	—	—	*89.6*
Planned Spending	—	*22.4*	*66.7*	—	—	*89.1*
Total Authorities	—	*23.9*	*69.3*	—	—	*93.2*
Actual	**—**	**22.1**	**69.5**	**—**	**—**	**91.6**
Hydrography						
Main Estimates	—	*31.2*	—	—	—	*31.2*
Planned Spending	—	*31.2*	—	—	—	*31.2*
Total Authorities	—	*32.9*	—	—	—	*32.9*
Actual	**—**	**36.3**	**—**	**—**	**—**	**36.3**
Fisheries Management						
Main Estimates	—	—	—	295.8	—	*295.8*
Planned Spending	—	—	—	*319.3*	—	*319.3*
Total Authorities	—	—	—	*348.8*	—	*348.8*
Actual	**—**	**—**	**—**	***299.4***	**—**	**299.4**
Harbours						
Main Estimates	—	—	—	—	*91.5*	*91.5*
Planned Spending	—	—	—	—	*91.5*	*91.5*
Total Authorities	—	—	—	—	*93.2*	*93.2*
Actual	**—**	**—**	**—**	**—**	**96.6**	**96.6**
Fleet Management						
Main Estimates	*166.1*	—	—	—	—	*166.1*
Planned Spending	*154.6*	—	—	—	—	*154.6*
Total Authorities	*177.1*	—	—	—	—	*177.1*
Actual	**163.6**	**—**	**—**	**—**	**—**	**163.6**
Policy and Internal Services						
Main Estimates	—	—	—	—	*282.7*	*282.7*
Planned Spending	—	—	—	—	*283.6*	*283.6*
Total Authorities	—	—	—	—	*290.2*	*290.2*
Actual	—	—	—	—	**274.2**	**274.2**
Total Main Estimates	**512.1**	**221.6**	**67.2**	**295.8**	**374.2**	**1,470.8**
Total Planned Spending	**485.1**	**221.8**	**66.7**	**319.3**	**375.1**	**1,468.0**
Total Authorities	**522.6**	**234.0**	**69.3**	**348.8**	**383.4**	**1,558.0**
Total Actual	**502.9**	**230.1**	**69.5**	**299.4**	**370.8**	**1,472.6**

Sources of respendable and non-respendable revenue

Table 5 provides the Department's actual revenues by business line from 2002-2003 to 2004-2005, as well as planned revenues and total authorities for 2004-2005.

Table 5: Respendable and non-respendable revenue by business line, 2004-2005 (millions of dollars)

Business Line	Actual Revenues 2002-2003	Actual Revenues 2003-2004	Planned Revenues 2004-2005[1]	Total Authorities 2004-2005	Actual Revenues 2004-2005
Respendable Revenue					
Marine Navigation Services					
Maintenance Dredging in the St. Lawrence Ship Channel	*3.6*	*3.6*	*1.5*	*1.5*	*4.6*
Marine Navigation Services Fees	*27.7*	*28.4*	*27.8*	*27.8*	*28.4*
Miscellaneous	*0.2*	*0.2*	*—*	*—*	*0.4*
	31.5	**32.2**	**29.3**	**29.3**	**33.4**
Marine Communications and Traffic Services					
Coast Guard Radio Tolls	*0.1*	*0.1*	*0.1*	*0.1*	*0.1*
Employee Deductions for Employee Housing	*0.1*	*0.1*	*0.1*	*0.1*	*—*
Miscellaneous	*0.1*	*—*	*—*	*—*	*—*
	0.3	**0.2**	**0.2**	**0.2**	**0.1**
Icebreaking Operations					
Icebreaking Services Fee	*4.5*	*4.5*	*13.8*	*13.8*	*4.8*
	4.5	**4.5**	**13.8**	**13.8**	**4.8**
Rescue, Safety and Environmental Response					
Small Vessel Regulations for Capacity Plates Construction Decals	*0.1*	*0.2*	*0.2*	*0.2*	*—*
Miscellaneous	*0.4*	*0.3*	*—*	*—*	*0.3*
	0.5	**0.5**	**0.2**	**0.2**	**0.3**
Fleet Management	**0.2**	**—**	**—**	**—**	**—**
Policy and Internal Services					
Canadian Coast Guard College	**4.5**	**3.6**	**3.7**	**3.7**	**1.8**
Total Respendable Revenue	**41.5**	**41.0**	**47.2**	**47.2**	**40.4**
Non-respendable Revenue					
Marine Navigation Services					
Aids to Navigation in the Deep Water Channel between Montreal and Lake Erie	*0.2*	*—*	*0.2*	*0.2*	*—*
Miscellaneous	*—*	*—*	*—*	*—*	*0.4*
	0.2	**—**	**0.2**	**0.2**	**0.4**
Marine Communications and Traffic Services					
Rental of Land, Buildings and Equipment	**—**	**0.2**	**0.2**	**0.2**	**0.2**
Fisheries and Oceans Science					
Technology Transfer Licences	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**
Habitat Management and Environmental Science					
Rental of Land, Buildings and Equipment	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**
Hydrography					
Sale of Charts and Publications	*2.4*	*2.4*	*2.4*	*2.4*	*2.1*
Data Transfer Licence Agreements	*0.6*	*0.6*	*0.5*	*0.5*	*0.5*
Miscellaneous	*0.1*	*—*	*—*	*—*	*—*
	3.1	**3.0**	**2.9**	**2.9**	**2.6**
Fisheries Management					
Commercial Licences/Individual Vessel Quotas[2]	*39.6*	*40.9*	*37.7*	*37.7*	*40.6*
Conservation Stamps	*1.6*	*1.5*	*1.6*	*1.6*	*1.4*
Rental of Land, Buildings and Equipment	*0.2*	*0.2*	*0.2*	*0.2*	*0.2*
Sportfish Licences	*5.5*	*5.6*	*5.0*	*5.0*	*5.3*
	46.9	**48.2**	**44.5**	**44.5**	**47.5**
Small Craft Harbour Revenue	**1.7**	**1.7**	**1.5**	**1.5**	**1.6**
Fleet Management					
Miscellaneous	*0.2*	*—*	*—*	*—*	*—*
Policy and Internal Services					
Rental of Land, Buildings and Equipment	*—*	*0.1*	*0.1*	*0.1*	*0.1*
Other Services and Service Fees	*0.1*	*—*	*—*	*—*	*—*
Miscellaneous	*—*	*—*	*—*	*—*	*0.1*
	0.1	**0.1**	**0.1**	**0.1**	**0.1**
Sub-total Non-Respendable Revenue	**52.4**	**53.4**	**49.6**	**49.6**	**52.7**

[1] For respendable revenues, planned revenue refers to the revenue target and non-respendable revenues reflect the forecast of revenues for the year in question.
[2] *Commercial Licences* refers to fees received for both competitive commercial licences and commercial Individual Quotas. Previously, DFO reported Commercial (Competitive) Licence revenues separately from Individual Quota revenues. This has been discontinued because both revenues are commercial fishing licence fees.

Business Line	Actual Revenues 2002-2003	Actual Revenues 2003-2004	Planned Revenues 2004-2005[1]	Total Authorities 2004-2005	Actual Revenues 2004-2005
Unplanned Revenue					
Internal Revenues	2.7	0.6	—	—	0.8
Return on Investments	0.1	0.1	—	—	0.1
Refunds/Adjustments of Previous Year's Expenditures	2.0	2.6	—	—	2.6
Sale of Surplus Crown Assets	2.7	0.7	—	—	1.1
Miscellaneous (Seizures and Forfeitures, Fines and Sundries)	3.4	2.3	—	—	5.4
Sub-total Unplanned Revenue	**10.9**	**6.3**	**—**	**—**	**10.0**
Total Non-Respendable Revenue	**63.3**	**59.7**	**49.6**	**49.6**	**62.7**
Total Revenue	**104.8**	**100.7**	**96.8**	**96.8**	**103.1**

Description by type of revenue

Respendable revenue refers to funds collected for user fees or for the recovery of the cost of DFO services. These are collected mainly by CCG for marine navigation services, icebreaking services and the management of the maintenance dredging program for the St. Lawrence Ship Channel on behalf of industry. The Department receives authority to spend the sums received as respendable revenues, which is the reason they are deducted from the operating expenditures in Table 1 and are shown separately in Table 3.

Non-respendable revenue refers to funds collected for fishing licences, hydrographic charts and various other departmental products and services. The Department has no authority to respend these revenues.

Unplanned revenue includes revenues collected from other government departments, the sale of surplus Crown assets and miscellaneous revenues such as seizures, forfeitures and fines.

Explanation of changes between revenue amounts

The figures for respendable revenue remained relatively stable during the period shown, with the exception of the Coast Guard College, which has seen a decline in international students, and *Small Vessel Regulations for Capacity Plates Construction Decals*, which has been transferred to Transport Canada. The amount of respendable revenue collected consistently falls below the planned revenue collection of $47.2 million. As in previous years, the shortfall in respendable revenue is primarily due to the shortfall respecting the Icebreaking Services Fee. The planned revenues for the Icebreaking Services Fee are based on a fee structure that has been only partially implemented. The revenue collected for the Icebreaking Services Fee was $9.0 million lower than planned. However, this shortfall was partially offset by collections that were higher than planned in other areas.

The figures for non-respendable revenue remained relatively stable during the period shown, with the exception of the Sale of Charts and Publications, Fisheries Management Fees, and Small Craft Harbour Revenue. Revenues from the sale of hydrographic charts have been declining slowly for several years because of changing conditions in the marketplace. Fisheries Management Fees fluctuate over time because of changing conditions in the fishery. Revenues from Small Craft Harbours have been declining steadily as DFO divests itself of revenue-generating recreational harbours. The amount of non-respendable revenue collected consistently falls below the overall target of $60.2 million. The source of the shortfall is Fisheries Management Fees and Small Craft Harbour Revenue.

Transfer payments (grants and contributions) by business line

Table 6 summarizes the Department's grants and contributions by business line from 2002-2003 to 2004-2005, as well as Main Estimates, planned spending and total authorities for 2004-2005. For a complete listing of the Department's grants and contributions, visit the Public Accounts of Canada on the Receiver General's Web site, at www.pwgsc.gc.ca/recgen/text/pub-acc-e.html.

Table 6: Transfer payments (grants and contributions) by business line, 2004-2005 (millions of dollars)

Business Line	Actual Spending 2002-2003	Actual Spending 2003-2004	Main Estimates 2004-2005	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005
Grants						
Marine Navigation Services	—	—	—	—	—	—
Marine Communications and Traffic Services	—	—	—	—	—	—
Icebreaking Operations	—	—	—	—	—	—
Rescue, Safety and Environmental Response	—	—	—	—	—	—
Fisheries and Oceans Science	0.6	0.2	0.0	—	0.3	0.3
Habitat Management and Environmental Science	—	—	—	—	—	—
Hydrography	0.1	0.1	0.0	0.1	0.1	0.1
Fisheries Management	—	—	—	—	0.0	0.0
Harbours	0.5	0.5	0.5	0.5	0.5	0.5
Fleet Management	—	—	—	—	—	—
Policy and Internal Services	—	—	0.2	0.1	—	—
Total Grants	1.2	0.8	0.7	0.7	0.9	0.9
Contributions						
Marine Navigation Services	0.2	0.2	—	—	0.2	0.2
Marine Communications and Traffic Services	—	—	—	—	—	—
Icebreaking Operations	—	—	—	—	—	—
Rescue, Safety and Environmental Response	4.7	4.7	4.8	4.6	4.9	4.9
Fisheries and Oceans Science	1.9	1.7	0.9	0.9	1.1	1.1
Habitat Management and Environmental Science	*6.0*	*0.5*	—	—	*1.1*	*1.0*
Hydrography	—	—	—	—	—	—
Fisheries Management	106.5	71.1	100.9	107.9	131.6	86.5
Harbours	1.0	0.4	—	—	0.2	0.2
Fleet Management	—	—	—	—	0.0	0.0
Policy and Internal Services	0.7	0.3	0.2	0.2	0.3	0.3
Total Contributions	**121.0**	**78.9**	**106.8**	**113.6**	**139.4**	**94.1**
Total Transfer Payments	**122.2**	**79.7**	**107.5**	**114.3**	**140.3**	**95.0**

As the discussion of Table 3 indicated, the Fisheries Management variances between planned spending, total authorities and actual expenditures for 2004-2005 were due primarily to the transfer of resources from the previous fiscal year and the lower than expected actual expenditures under the response to the Supreme Court of Canada's *Marshall* decision.

Details on transfer payment programs

Table 7 explains the contribution of $86.5 million related to the Fisheries Management business line in terms of objective, planned results and results achieved.

Table 7: Details on 2004-2005 transfer payment programs

Business Line	Objective	Planned Results	Results Achieved
Fisheries Management ($86.5 million)	To conserve and protect Canada's fishery resource and, in partnership with stakeholders, ensure its sustainable use	▪ Integration of Aboriginal people into the management of the fishery and providing them with economic benefits ▪ Increased participation of Aboriginal people in the fishery while maintaining the conservation principle ▪ An orderly harvest while accommodating Aboriginal fishing interests	▪ A renewed Aboriginal Fisheries Strategy ▪ Implementation of the Aboriginal Aquatic Resource and Oceans Management Program ▪ Continuing operation of the At-Sea Mentoring Initiative and the Fisheries Operations Management Initiative

Net cost of the Department

Table 8 shows the net cost of the Department for 2004-2005.

Table 8: Net cost of the Department, 2004-2005 (millions of dollars)

Total Actual Spending	**1,472.6**
Plus: Services Received without Charge	
Accommodation provided by Public Works and Government Services Canada	40.4
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat (excluding revolving funds)	52.8
Worker's compensation coverage provided by Social Development Canada	1.4
Salary and associated expenditures of legal services provided by Justice Canada	2.5
Sub-total	97.0
Less: Non-Respendable Revenue	62.7
Net Cost of the Department	**1,507.0**

Contingent liabilities

Table 9 presents potential liabilities against the Crown.

Table 9: Contingent liabilities, 2004-2005 (millions of dollars)

	Amount of Contingent Liability		
	March 31, 2003	**March 31, 2004**	**March 31, 2005**
Loans	—	—	—
Claims, Pending and Threatened Litigation			
Litigations	47.9	62.7	34.8
Contingent Gains			
Litigations	—	—	—

As of March 31, 2005, contingent liabilities estimated at $34.8 million were outstanding against Fisheries and Oceans Canada. Most of the claims are for loss of income, injuries sustained by persons and damages to property. Although these cases are in various stages of litigation, it is not departmental policy to comment on their expected outcomes.

Details on project spending

Table 10 presents all planned and ongoing major capital projects that exceed the Department's project approval authority. The Department's project approval authority is:

- $2 million for new Information Technology projects;
- $5 million for replacement Information Technology projects; and
- $20 million for all other projects.

Table 10: Details on project spending, 2004-2005 (millions of dollars)

Business Line/ Province/ Project	Current Estimated Total Cost	Actual Spending 2002-2003	Actual Spending 2003-2004	Main Estimates 2004-2005	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005
Fisheries and Oceans							
Science							
Multi-Province							
Science Data Management Infrastructure (S-EPA)	2.3	0.5	0.3	0.2	0.2	0.2	0.2
Hydrography							
Multi-Province							
Hydrographic Information Network Infrastructure (S-EPA)	2.5	0.2	0.4	0.9	0.9	0.6	0.6

Business Line/ Province/ Project	Current Estimated Total Cost	Actual Spending 2002-2003	Actual Spending 2003-2004	Main Estimates 2004-2005	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005
Fleet Management							
Quebec							
Acquisition of Air Cushion Vehicle (S-EPA)	22.6	—	—	0.3	0.3	0.1	0.1
Multi-province							
Search and Rescue Lifeboat Replacement - Phase II (S-EPA)	41.1	—	13.0	12.6	12.6	17.6	17.6
Replacement of Conservation and Protection Post Class Vessels (AIP)	20.8	—	—	0.5	0.5	—	—
Search and Rescue Program Integrity (S-EPA)	32.4	14.8	7.5	—	—	0.8	0.8
Policy and Internal Services							
Multi-Province							
Fisheries Information Management Program (S-EPA)	8.1	2.7	1.6	1.5	1.5	1.1	1.1
Windows XP and Office XP Migration Project (S-EPA)	11.9	3.2	1.8	2.1	2.1	2.1	2.1
Regional Informatics Infrastructure Replacement (S-EPA)	16.4	6.3	1.0	1.3	1.3	—	—
Electronic Knowledge Management Environment Systems (S-EPA)	6.8	0.4	0.4	1.3	1.3	1.4	1.4
IMIT – Security Enhancements (S-EPA)	5.0	—	—	2.0	2.0	3.2	3.2

Capital definitions

The phase of each project is identified according to the following Treasury Board definitions:

- Indicative Estimate (I) — This is a low-quality order of magnitude estimate that is not sufficiently accurate to warrant Treasury Board approval as a cost objective.
- Substantive Estimate (S) — This estimate is one of sufficiently high quality and reliability so as to warrant Treasury Board approval as a cost objective for the project phase under consideration.
- Preliminary Project Approval (PPA) — This defines Treasury Board's authority to initiate a project in terms of its intended operational requirement, including approval of, and expenditure authorization for, the objectives of the project definition phase. Sponsoring departments and agencies are to submit for PPA when the project's complete scope has been examined and costed, normally to the indicative level, and when the cost of the project definition phase has been estimated to the substantive level.
- Effective Project Approval (EPA) — Treasury Board's approval of, and expenditure authorization for, the objectives of the project implementation phase. Sponsoring departments and agencies are to submit for EPA only when the scope of the overall project has been defined and when the estimates have been refined to the substantive level.

Information on other reporting requirements

User fee reporting

On March 31, 2004, Parliament gave legal effect to the *User Fees Act* with the aim of strengthening accountability, oversight and transparency in the management of user fee activities. Table 11 presents the information required under the *User Fees Act* and Treasury Board policies.

As part of the Stewardship element of the Management Accountability Framework, DFO is committed to modernizing how it manages external charging to improve fairness, efficiency and accountability when collecting external charges (including user fees). External charges are a direct result of departmental activities that provide benefits to Canadian citizens and residents, which are over and above the value that Canadians, in general, receive from government services.

Consistent with this commitment, DFO launched an External Charging Review in 2004. The objective of this review is to develop a coherent, integrated, consistent, equitable and efficient approach to external charging for DFO. Review activities include analyzing current revenue spending mechanisms and current revenue streams, looking at areas where benefits are derived beyond those enjoyed by all Canadians and reviewing DFO's management of revenue practices. The review will ensure the development of a strategy and workplan to effect the implementation of the recommended approaches, including external consultations.

The review is being conducted in conformity with applicable legislation, policies and procedures. This includes the *User Fees Act* and the government's new policy on service standards for external fees, as well as DFO's recently developed external charging framework that lays out the vision and the principles to guide external charging decisions at DFO. This framework forms the basis for conducting the External Charging Review.

Note: The following fees in the table have not been confirmed as being subject to the *User Fees Act*: Coast Guard radio communications charges, employee deductions for housing, Coast Guard College tuition fees, sale of charts and publications, and Small Craft Harbour fees for other services and rental of land, buildings and equipment.

Table 11: User fees (thousands of dollars)

				2004-2005					Planning Years		
User Fee	Fee Type*	Fee Setting Authority	Date Last Modified	Forecast Revenue	Actual Revenue	Full Cost	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue	Estimated Full Cost
Maintenance Dredging Services Tonnage Fee Intended to recover from commercial vessels the total direct costs incurred by CCG to manage maintenance dredging services in the St. Lawrence Ship Channel. Services provided consist of the management of the maintenance dredging program for the St. Lawrence Ship Channel.	O	Section 47 of the *Oceans Act*	June 1, 2003[1]	1,500[2]	4,600	4,600[3]	Under review	N/A	2005-2006 2006-2007 2007-2008	4,600 4,600 4,600	4,600 4,600 4,600
Marine Navigation Services Fee Intended to recover a portion of the full costs incurred by CCG to provide marine navigation services to commercial vessels. Services provided include short-range aids to navigation and vessel traffic services.	O	Section 47 of the *Oceans Act*	April 1, 2005[4]	27,800	28,400	210,572[5]	Under review	N/A	2005-2006 2006-2007 2007-2008	27,800 27,800 27,800	Under development
Marine Communications and Traffic Services Employee deductions for housing and rental of land, buildings and equipment	O	Section 47 of the *Oceans Act*	Under review	100	0	Under development	Under review	N/A	2005-2006 2006-2007 2007-2008	100 100 100	Under development
Coast Guard Radio Communications Charges Rates charged for person-to-person communications by radiotelephone or radio telegram from ship to shore or from shore to ship	O	Section 19 of the *Financial Administration Act*	1994	100	100	Under development	Under review	N/A	2005-2006 2006-2007 2007-2008	100 100 100	Under development

[1] Since 1997, and at the request of industry, the Canadian Coast Guard has managed the maintenance dredging of the navigation channel of the St. Lawrence River between the Port of Montreal and the Île aux Coudres near Québec City. The current fee schedule, which replaces the earlier fee schedule that expired on March 31, 2003, extends the arrangement whereby the Canadian Coast Guard is reimbursed, via fees, for the total direct costs it incurs to ensure commercial navigation.
[2] The revenues collected for Dredging Fees are significantly higher than the forecast published in the 2004-2005 Report on *Plans and Priorities* because this forecast did not reflect the coming into force of a new Maintenance Dredging Services Tonnage Fees Schedule on June 1, 2003.
[3] This figure is based on total direct costs (rather than full costs), which include direct labour costs (including employee benefits), direct operating costs, direct material costs, program support costs and capital acquisitions (to the extent that these capital acquisitions form part of an output).
[4] The purpose of this amendment is to correct an unintended rate disparity in the current Fee Schedule and to ensure a fair application of the Marine Navigation Services Fee.
[5] Represents full cost, not the costs attributed to fee-paying clients.

				2004-2005					Planning Years		
User Fee	Fee Type*	Fee Setting Authority	Date Last Modified	Forecast Revenue	Actual Revenue	Full Cost	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue	Estimated Full Cost
Icebreaking Services Fee Intended to recover a portion of the full costs incurred by CCG to provide icebreaking services to commercial vessels. Services provided include route assistance (channel maintenance and ship escorts), ice routing and information services, and some harbour/wharf breakouts where not provided by commercial operators.	O	Section 47 of the *Oceans Act*	1998	13,800	4,800	108,303[1]	Under review	N/A	2005-2006 2006-2007 2007-2008	13,800 13,800 13,800	Under development
CCG College Tuition fees	O	Under review	Beginning 2004-2005	3,700	1,800	5,400[2]	Under review	N/A	2005-2006 2006-2007 2007-2008	3,700 3,700 3,700	Under development
Hydrography Sale of charts and publications	O	*Financial Administration Act*	1996	2,400	2,100	31,700 (total cost of delivering national hydrographic services)	Under review[3]	N/A	2005-2006 2006-2007 2007-2008	2,100 2,000 2,000	Under development
Fisheries Management Commercial fishing licence fees	R (Access Fees)	Sections 7, 8 and 18 of the *Fisheries Act*	1995[4]	37,900	40,800	Access fee; reflects the value of the privilege/ benefit of access to a public resource, not the costs of provision of service.	Under review	N/A	2005-2006 2006-2007 2007-2008	39,300 39,300 39,300	Access fee; reflects the value of the privilege/benefit of access to a public resource, not the costs of provision of service.

[1] Represents full cost, not the costs attributed to fee-paying clients.
[2] This figure is based on total direct costs (rather than full costs), which include direct labour costs (including employee benefits), direct operating costs, direct material costs, program support costs and capital acquisitions (to the extent that these capital acquisitions form part of an output).
[3] In the late summer and fall of 2004, CHS undertook a survey of 2,300 of its clients. The results of the survey are being used to develop Service Standards for CHS products and services. Data collection was co-ordinated by CHS and done via the Web, Notices to Mariners, mailings through the CHS network of chart dealers, and through communications with recreational and marine industry groups. The main objectives of the study were to: establish the CHS client profile; validate the position of clients in relation to CHS levels of service, such as levels of service determined by risk areas or emphasis on content vs. presentation; determine user preference for paper or electronic chart products; and identify services that could be discontinued or modified.
[4] Commercial fishing licence fees for certain fisheries have been reduced on a case-by-case basis where economic conditions warranted a reduction; however, December 1995 was the date of the most recent system-wide change to licence fees.

				2004-2005					Planning Years		
User Fee	Fee Type*	Fee Setting Authority	Date Last Modified	Forecast Revenue	Actual Revenue	Full Cost	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue	Estimated Full Cost
Recreational fishing licence fees	R (Access Fees)	Sections 7 and 8 of the *Fisheries Act*	1996	5,000	5,300	Access fee; reflects the value of the privilege/ benefit of access to a public resource, not the costs of provision of service.	Under review	N/A	2005-2006 2006-2007 2007-2008	5,100 5,100 5,100	Access fee; reflects the value of the privilege/ benefit of access to a public resource, not the costs of provision of service.
Pacific Salmon Conservation Stamp	R	*Fisheries Act*	1995	1,600	1,400	[1]	Under review	N/A	2005-2006 2006-2007 2007-2008	1,500 1,500 1,500	[2]
Harbours SCH revenue includes rental income from lands, buildings and equipment[3]; as well as fees for storage, berthage and wharfage, and service fees[4]	O and R	*Fishing and Recreational Harbours Act, Fishing and Recreational Harbours Regulations*, *Financial Administration Act*, *Federal Real Property and Federal Immovables Act*, *Excise Act* (GST)	Berthage fees were last modified in 1997 Wharfage fees were last modified in 1995 Storage fees were last modified in 1997	1,500	1,600	91,519 (reflects the total cost of the Program as per the Main Estimates)	Under review	N/A	2005-2006 2006-2007 2007-2008	1,400 1,400 1,100	86,120.8 86,024.2 86,024.1 (reflects the total cost of the Program as per the Main Estimates)
Access to Information[5] Fees charged for the processing of access requests filed under the *Access to Information Act*	O	*Access to Information Act*	1992	15	15.4	1,326.9	Framework under development by Treasury Board Secretariat More info: http://lois.justice.gc.ca/en/a-1/8.html	Statutory deadlines met 92.2% of the time	2005-2006 2006-2007 2007-2008	16.0 17.6 19.3	1,700.0 1.734.0 1,786.0

* The Department collects two types of fees: Regulatory Service (R) and Other Goods and Services (O).

[1] The salmon conservation stamp fee represents a combination of the value of user access to a public resource, a portion of the cost of salmon enhancement programming by DFO, and the cost of grants made to the Pacific Salmon Foundation under a complex revenue-sharing formula. As stamp revenues vary from year to year, the annual scale/cost of the program delivered also varies.
[2] The salmon conservation stamp fee represents a combination of the value of user access to a public resource, a portion of the cost of salmon enhancement programming by DFO, and the cost of grants made to the Pacific Salmon Foundation under a complex revenue-sharing formula. As stamp revenues vary from year to year, the annual scale/cost of the program delivered also varies.
[3] Fee setting authority under review.
[4] Fee setting authority under review.
[5] It is the Department's practice to waive Access to Information fees where the total owing per request amounts to less than $25. There was a significant increase in the number of times fees were waived in 2004-2005 because of a new electronic disclosure service. To reduce costs and increase efficiency, documents released are provided on CD-ROM, which means that no reproduction fees are charged to the applicant.

Major regulatory initiatives

Table 12 provides performance-measurement criteria and results achieved for regulatory initiatives.

Table 12: Major regulatory initiatives, 2004-2005

Regulations	Expected Results	Performance Measurement Criteria	Results Achieved
Amendments to Provincial and Territorial Fishery Regulations	Improved fisheries management and enforcement	*Northwest Territories Fishery Regulations*	(SOR/2004-38)
		Ontario Fishery Regulations, 1989	(SOR/2004-63) (SOR/2005-26)
		Quebec Fishery Regulations, 1990	(SOR/2004-64) (SOR/2004-14)
		Manitoba Fishery Regulations, 1987	(SOR/2004-39) (SOR/2005-27)
Nunavut Fishery Regulations Development of fishery regulations for the new Nunavut Territory	Regulate fishing in the new territory	Under legal and DFO review	Consultations complete, regulatory development ongoing
***Fisheries Act* and Related Regulations** *Aboriginal Communal Fishing Licences Regulations, Atlantic Fishery Regulations, BC Sport Fishing Regulations, Coastal Fisheries Protection Regulations, Fishery (General) Regulations, Manitoba Fishery Regulations, Marine Mammal Regulations, Maritime Provinces Fishery Regulations, Newfoundland Fishery Regulations, Northwest Territories Fishery Regulations, Ontario Fishery Regulations, Pacific Fishery Regulations, Quebec Fishery Regulations, Saskatchewan Fishery Regulations, Yukon Territory Fishery Regulations*	Amend certain provisions in various regulations to align with amendments to the *Fisheries Act* proposed in Bill C–43	Passage of Bill and making of regulations	C-43 died on the Order Paper May 23, 2004
Marine Protected Areas Establishment of selected Marine Protected Areas in Canada's three oceans	Conservation and protection of distinctive areas of the marine environment	Published in the *Canada Gazette*, Part II on May 19, 2004 (Sable Gully MPA)	(SOR/2004-112)
Marine Protected Areas Ongoing identification of other Areas of Interest	Establish network of MPAs under the Oceans Action Plan	Increased protection of specific areas through restrictions in access and usage	Regulatory development under way
Coastal Fisheries Protection Regulations Implementation of United Nations Fish Stocks Agreement	To meet international obligations under the United Nations Fish Stocks Agreement	Increased enforcement capability through measures set out in United Nations Fish Stocks Agreement	
		Published in the *Canada Gazette*, Part II on May 11, 2004	(SOR/2004-110)

Regulations	Expected Results	Performance Measurement Criteria	Results Achieved
***Species at Risk Act* and Regulations**	To prevent Canadian wildlife species from becoming extirpated or extinct; to provide for the recovery of endangered or threatened species; and to encourage the management of other species to prevent them from becoming at risk	Number of species added to the SARA list	16 aquatic species considered for listing (13 listed, 2 not listed, 1 returned to Committee on the Status of Endangered Wildlife in Canada for further consideration)
		Recovery strategies developed under SARA	Numerous recovery strategies under development

DFO's Regulatory Plan for 2005 and Regulatory Report for 2004 are available at www.dfo-mpo.gc.ca/communic/policy/plan2004-2005/regplan2004-2005_e.htm.

Response to Parliamentary Committees, audits and evaluations

Presented below are summaries of the Department's responses to Parliamentary Committee reports and recommendations made by the Auditor General; links to internal audits, internal evaluations and internal reviews completed in 2004-2005 are also presented.

Table 13: Responses to Parliamentary Committees in 2004-2005

Report	Link to Report and Government Response
Reports tabled by the Standing Committee on Fisheries and Oceans during 2004-2005	
Safe, Secure, Sovereign: Reinventing the Canadian Coast Guard The Standing Committee tabled this report before the last election and re-tabled it again at the start of the new Parliament. The report contains 18 recommendations. These recommendations cover areas such as funding; the positioning and role of the organization; prosecution and legislative issues; a new role in marine security; consultations; and user pay policies. The Government agreed with a majority of the recommendations. Budget 2005 included funding for the building of new Coast Guard vessels. This has been a priority area for both the Department and the Standing Committee.	www.dfo-mpo.gc.ca/communic/reports/ccg-gcc/gr_ccg-gcc_e.htm
Atlantic Fisheries Issues: May 2003 This report is based on hearings the Committee held during its trip to Gaspé, St. John's, Halifax and Moncton in May 2003. As a result of the diverse group of witnesses appearing before the Committee, the recommendations cover a range of issues including the Atlantic Fisheries Policy Review; seal harvesting; the cod moratorium; licence retirements; the effect of the Confederation Bridge on fish stocks; multi-year fishing plans; science funding; snow crab allocations; and creating an Atlantic salmon endowment fund. Budget 2005 included funding for the creation of the Atlantic Salmon Endowment Fund.	www.dfo-mpo.gc.ca/communic/reports/atlantic/resp-rep_e.htm
Here We Go Again … Or the 2004 Fraser River Salmon Fishery The Standing Committee makes 12 recommendations in its report. These recommendations focus on DFO's enforcement (funding and management); the management of the First Nation fisheries; improvements to science (funding increases and more assessments of salmon stocks); and the need for more stringent guidelines for closing salmon fisheries when water temperatures in the Fraser River are considered dangerously high. The Southern Salmon Fishery Post-Season Review, also released in March 2004, makes similar recommendations to those found in the Standing Committee's report.	http://www.dfo-mpo.gc.ca/communic/reports/fraser_river/gr_salmon_fishery_e.htm

Report	Link to Report and Government Response
Report tabled by the Standing Senate Committee on Fisheries and Oceans during 2004-2005	
Nunavut Fisheries: Quota Allocations and Benefits The report is a study on matters relating to quota allocations and benefits for Nunavut fishers. It gives an overview of the management framework for Nunavut-adjacent fisheries, and discusses the relevant issues for the division 0A and 0B fisheries. It discusses the allocation mechanisms for Nunavut, the need to increase Nunavut's share of 0B Turbot, as well as the need for infrastructure development in Nunavut and more exploratory and scientific research in the Nunavut-adjacent waters. The report makes 14 formal recommendations directed at the Government of Canada as well as other organizations involved with Nunavut and its fisheries.	www.dfo-mpo.gc.ca/communic/reports/nunavut_fish/gr_nunavut_fish_e.htm

Table 14: Responses to the Auditor General in 2004-2005

Recommendation Raised	Link to Chapter and Response
2004 Report of the Commissioner of the Environment and Sustainable Development	
Chapter 1 — International Environment Agreements #1.102 Fisheries and Oceans Canada should clearly articulate its position in terms of the priorities, process, and timeframes to set sustainable conservation targets for straddling and highly migratory fish stocks.	2004 CESD 1.102
Chapter 4 — Assessing the Environmental Impact of Policies, Plans, and Programs #4.47 Deputy heads, of all departments and agencies included in this audit, should ensure that their organization is fully implementing the Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals. They should ensure that their organization has a management system in place for the proper application of the directive. This system should include the following steps: ▪ Identify and describe proposals that require approval by the departments' or agencies' minister or the Cabinet. ▪ Establish an organizational accountability structure. ▪ Develop and implement tracking systems to track all proposals subject to the directive, preliminary scans, and detailed assessments that are conducted. ▪ Provide internal guidance and training to managers and staff who are involved in the preparation of policy, program, and plan proposals. ▪ Establish quality control, consultation, communication, follow-up, and evaluation procedures. Deputy heads of all departments and agencies not included in this audit should take into account this recommendation when considering how their organization applies the directive.	2004 CESD 4.47
Chapter 5 — Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture #5.101 Fisheries and Oceans Canada should, in collaboration with the provinces, assess and monitor salmon aquaculture operations to prevent harmful effects on wild stocks and habitat. It should, in consultation with Environment Canada, continue to determine how the deposit of deleterious substances from aquaculture operations will be controlled, monitored, and enforced.	2004 CESD 5.101
Chapter 5 — Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture #5.28 Fisheries and Oceans Canada should finalize the Wild Salmon Policy to define conservation objectives and provide direction for the management of fisheries, protection of habitat, and salmon enhancement.	2004 CESD 5.28
Chapter 5 — Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture #5.54 Fisheries and Oceans Canada should collect and analyze information to provide up-to-date assessments on habitat conditions and Pacific salmon stocks that are below departmental targets and declining.	2004 CESD 5.54

Recommendation Raised	Link to Chapter and Response
Chapter 5 — Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture #5.66 Fisheries and Oceans Canada should co-ordinate efforts with the Province of British Columbia, using a risk-based approach that would both complement the provincial approach and satisfy its own mandate to manage and protect fish habitat.	2004 CESD 5.66
Chapter 5 — Fisheries and Oceans Canada—Salmon Stocks, Habitat, and Aquaculture #5.84 Fisheries and Oceans Canada should set priorities and develop a long-term research plan to address knowledge gaps on the potential effects of salmon aquaculture in aquatic ecosystems and on wild salmon stocks.	2004 CESD 5.84
Chapter 6 — Environmental Petitions #6.80 Fisheries and Oceans Canada should determine whether or not it will develop regulations on genetically engineered (GE) fish. If it decides to proceed with regulations, it should identify a clear timeline for completing the regulations, establish a work plan, and report publicly on its progress.	2004 CESD 6.80
Chapter 6 — Environmental Petitions #6.92 To minimize the risk of GE fish being released into the environment, Fisheries and Oceans Canada, in consultation with Environment Canada, should ensure that requirements for containment of GE fish are clearly communicated to researchers. It should also address the gaps in notification of research activity involving GE fish and other aquatic organisms in Canada.	2004 CESD 6.92
November 2004 Report of the Auditor General of Canada	
Chapter 7 — Process for Responding to Parliamentary Order Paper Questions #7.91 For order paper questions that are financial in nature, departments' procedures for developing responses should include a search of existing, publicly available financial documents for relevant information.	2004 OAG 7.91
A Status Report of the Auditor General of Canada, 2005	
Chapter 1 — Information Technology Security #1.38 The departments and agencies, subject to the Government Security Policy, should prepare an action plan indicating when they intend to fully comply with the IT security requirements of the Policy and with the Management of Information Technology Security standard. This IT security action plan should be approved by the deputy head or designate and reported to the Treasury Board Secretariat.	2005 OAG Status Report 1.38
Chapter 1 — Information Technology Security #1.46 Senior management in departments and agencies should ensure that IT security risks are included in preparing the corporate risk profile by identifying and assessing the key IT security risks and challenges and determining the level of risk to accept.	2005 OAG Status Report 1.46
Chapter 1 — Information Technology Security #1.71 Departments and agencies, subject to the Government Security Policy, should provide the Treasury Board Secretariat with an annual schedule of their planned IT security monitoring activities, including self-assessments, vulnerability assessments, and internal audits. They should also provide the Secretariat with a copy of internal audit reports, within three months of completing them.	2005 OAG Status Report 1.71

Internal audits completed in 2004-2005

- Good Stewardship Audit of the Maintenance and Use of Acquisition, Travel and Vehicle Maintenance Cards
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65277_e.htm
- Acquisition and Integration of IT: Audit Report
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65151_e.htm
- Audit of First Nations Fisheries Mentor Deployment Program
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65176_e.htm
- Audit and Evaluation of the Experimental Lakes Area
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65173_e.htm

- Audit of Departmental Security Management Control Framework
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65152_e.htm
- Audit of the Departmental Activity Costing System (DACS)
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/dacs_e.htm

Internal evaluations completed in 2004-2005

- Audit and Evaluation of the Experimental Lakes Area
  http://www.dfo-mpo.gc.ca/communic/cread/audits/04-05/65173_e.htm
- Pacific Salmon Selective Fishing Program Evaluation
  http://www.dfo-mpo.gc.ca/communic/cread/evaluations/04-05/salmon_e.htm

Internal reviews completed in 2004-2005

- Employment Systems Review
  http://www.dfo-mpo.gc.ca/communic/cread/reviews/04-05/employment_e.htm
- Revenue Generation Consulting Report
  http://www.dfo-mpo.gc.ca/communic/cread/reviews/04-05/revenue_e.htm

Sustainable development strategies

Sustainable development is the lens through which the Department of Fisheries and Oceans undertakes its business. The Department works in partnership to derive economic and social benefits from Canada's oceans and freshwater resources while conserving the ecological integrity of those resources.

DFO's Sustainable Development Strategy is a companion document to the Department's Strategic Plan — *Our Waters, Our Future*. As a sustainable development department, DFO works to protect and conserve Canada's aquatic resources, while supporting the development and use of these resources.

In the preparation of the Sustainable Development Strategy, DFO developed an approach that clearly links Strategy commitments to the Department's Strategic Plan and its outcomes. The Strategy contains an Action Plan which highlights key activities DFO will undertake in support of sustainable development. This Strategy identifies three key sustainable development goals for the Department, around which the Action Plan is built:

- Sustainable Programs: Outputs and targeted activities pertain to balancing the protection of aquatic resources with support for the development of economic and social benefits from these resources.
- Good Governance and Enhanced Partnerships: In delivering its mandate, DFO works in partnerships with various levels of government, industry, Aboriginal groups and non-governmental organizations.
- Sustainable Operations: Commitments denote means of "greening government" to reduce damage to the environment from departmental operations. This includes compliance with regulations (at all levels of government), DFO's Environmental Policy, other relevant federal policies, best practices, industry accepted standards and codes of practice.

Within the three sustainable development goals, DFO will undertake a number of targeted activities with related outputs that result in products for Canadians. Over the short and medium term, these activities and outputs will enable DFO to deliver on intermediate outcomes such as informed decision making, improved oceans management and compliance with international standards. Taken together, the targeted activities, outputs and outcomes under the three sustainable development goals will ensure the Department continues to work toward its three new strategic outcomes — Safe and Accessible Waterways, Healthy and Productive Aquatic Ecosystems and Sustainable Fisheries and Aquaculture.

This sets DFO on course to achieve the vision of sustainable development and the safe use of Canadian waters.

Three targeted activities were identified for sustainable development Goal A — Sustainable Programs:

- Developing policies, frameworks, regulations and responses to ensure the integration and sustainability of fisheries and aquaculture;
- Promoting an ecosystem-based approach for Canada's three oceans; and
- Examining issues pertaining to climate change.

Four targeted activities were identified to support Goal B — Good Governance and Enhanced Partnerships:

- Strengthening ocean governance by implementing integrated management;
- Strengthening Canada's role in international governance of oceans;
- Engaging Aboriginal groups; and
- Strengthening federal/provincial/territorial collaboration.

Two targeted activities were identified to support Goal C — Sustainable Operations:

- Ensuring operations are consistent with recognized Canadian and international environmental management standards; and
- Renewing the government's civilian fleet.

The Department has made significant progress in ensuring that environmental, social and economic aspects are systematically considered in planning and policy development documents, such as the renewed Strategic Plan, *Our Waters, Our Future,* and the *Report on Plans and Priorities*. The Department's renewed vision effectively entrenches sustainable development into long-term direction setting, and efforts continue to more completely integrate it into the business, human resource and financial planning processes, as part of the newly adjusted departmental planning cycle.

In response to the recommendations of the Commissioner of the Environment and Sustainable Development regarding the development of Sustainable Development Strategies, DFO developed an approach that clearly links Strategy commitments to the Department's Strategic Plan and its outcomes. The Department's *Report on Plans and Priorities* also includes a discussion of the Sustainable Development Strategy in the consolidated reports section. The number of sustainable development outputs has been reduced from 41 to 26. In addition, as the Action Plan of the Strategy demonstrates, DFO has made efforts to identify clearer linkages between the target and actions to achieve the goals and objectives.

In 2004, DFO completed its Departmental Assessment and Alignment Project, a full-scale assessment of departmental human and financial resources, policy and program priorities, and management practices. Throughout the exercise, DFO reconfirmed and strengthened its commitment to sustainable development as a core underpinning of all its programs and services. As the Department was involved in the Departmental Assessment and Alignment Project at the time of the tabling of the third round of Sustainable Development Strategies, the Department elected to table a progress report on its 2001-2003 Sustainable Development Strategy commitments. This allowed the 2005-2006 Sustainable Development Strategy to be fully informed by the results of the Departmental Assessment and Alignment Project.

Procurement and contracting

DFO is a highly decentralized, operational department with a presence in over 300 communities. Procurement and contracting are important functions in support of departmental operations. Specialists in Ottawa headquarters and in all six regions of the country assist in the development of policies,

procedures and strategies as well as issuing contracts that are within their delegated authorities. The Department uses Public Works and Government Services Canada (PWGSC) to provide contracting services when the requirements exceed the Department's authorities (for example, all goods requirements in excess of $5,000 and not covered by standing offer) or when specific expertise is required. DFO's Acquisition Card Program is another key tool used to support its procurement activities. In 2004-2005, DFO used credit cards to pay for $84 million of its low dollar value and standing offer purchases.

In 2004-2005, DFO started to provide details of all contracts above $10,000 (taxes included) on its Internet site. The Department has found this practice contributes to improved monitoring and visibility and is a good tool to ensure that contract information recorded in ABACUS is precise and accurate (ABACUS is DFO's primary financial and materiel information system).

A Centre of Excellence – Procurement was created and staffed with program subject matter experts and procurement specialists. The mandate of the Centre is:

- To support and promote modern management skills and techniques in procurement;
- To consult program users and PWGSC; and
- To identify the best method of acquisition for common commodities nationally or regionally.

The revision of the procurement methods for computers and wireless devices will result in savings of up to $1.5 million annually.

The work done by the Centre has enabled DFO to learn valuable lessons that will be useful as the Department implements The Way Forward, a PWGSC initiative designed to deliver services smarter, faster and at lower cost.

Alternative service delivery

Alternative service delivery refers to the use of alternative organizational forms and delivery mechanisms to deliver a department or agency's mandate.

In 2004-2005, there was one significant new alternative service delivery initiative within DFO. On April 1, 2005, the Canadian Coast Guard's Special Operating Agency status within Fisheries and Oceans Canada officially took effect, making it the largest Special Operating Agency in Canada.

Special Operating Agency status gives the Coast Guard more authority and flexibility to be more businesslike and to deliver services more effectively to its clients. In addition, it allows for greater control of its financial resources. The transition also positions CCG to respond to its enhanced role under Canada's national security agenda while improving traditional services through continuous renewal.

By making the Coast Guard a Special Operating Agency, the Government of Canada has acknowledged the importance and unique status of the Coast Guard. At the same time, it has affirmed that the Coast Guard, as an integral part of the delivery of the DFO program, will remain within DFO. The Coast Guard makes up almost half of Fisheries and Oceans Canada and plays a number of roles in the Department's mandate — from scientific research, to conservation and protection, to helping ensure maritime security. That important role within DFO will continue.

Service Improvement Initiative

Over the past five years, DFO has demonstrated its commitment to service improvement on a number of fronts.

For example, the Department has prepared and implemented a consultation toolkit to increase the effectiveness of consultations, and it has implemented a comprehensive stakeholder consultation process for species at risk.

DFO recently launched the Environmental Process Modernization Plan (EPMP) initiative to contribute to more efficient and effective delivery of its regulatory responsibilities and to support the federal Smart Regulation agenda. DFO started this three-year initiative in 2004-2005.

The Department has undertaken a number of initiatives with the provinces and territories aimed at improving the delivery of aquaculture services and programs. These include streamlining the site approval process for aquaculture operations, improving the National Code on Introductions and Transfers and developing a National Aquatic Animal Health Program.

Fisheries Management Renewal (FMR) is a plan of action to modernize fisheries management to ensure strong, sustainable fisheries for years to come. FMR is about changing the relationship between DFO and stakeholders, especially commercial fishers, recognizing that those affected by resource management decisions need to have a role in decision making. It builds on and formalizes existing initiatives that provide resource users with a greater voice in decision making by advancing shared stewardship — shared responsibility, decision making and accountability — with resource users.

Consultation with an external advisory panel, a survey of clients and an online questionnaire guided the Canadian Hydrographic Service in developing new service standards for the maintenance of existing navigational charts. High-risk areas will be updated more frequently than lower risk areas under the new standards, which are to be implemented in 2006.

The Canadian Coast Guard requires high-quality ice information to route marine shipping safely and efficiently through difficult areas of ice-covered waters. In 2004, CCG conducted an Ice Information Level of Service Review to produce options for efficiencies and improvements to the current services, including an Amalgamated Aerial Reconnaissance Program. Ice reconnaissance flights have been combined with Transport Canada's pollution surveillance flights to improve aircraft utilization and reduce duplication of aerial coverage.

CCG has completed all Program Integrity I activities. Eight new Search and Rescue stations and lifeboats are now operational, and the required crewmembers have been hired and trained. New rescue co-ordination staff have also been recruited. The National Capital Spending Plan continued to bring CCG assets back to their baseline condition through refurbishment and the incorporation of new technologies.

Through its continued participation in the Government On-Line initiative, DFO has been working to provide Canadians with access to federal government information and services via the Internet while trying to achieve a significant, quantifiable improvement in client satisfaction. In general, the Department continues to work with other departments to provide single access points to government services and information. In particular, DFO's Web presence is now less about how the Department is organized and more about how clients seek and use information and services.

A key element of DFO's Government On-Line strategy has been improving services to recreational fishers by developing the National Recreational Licensing System, which provides additional ways of buying recreational fishing licences. A second element of the strategy is the Maritime Navigation Information Services, which provide access to the information and services needed to conduct business activities on national waterways responsibly, safely and efficiently. The third element is the Understanding Canada's Waters and Aquatic Resources initiative, in which DFO addresses public expectations for greater involvement in decision making about the management and use of Canada's waters and aquatic resources.

Horizontal initiatives

Horizontal initiatives are programs or initiatives in which partners from two or more organizations have agreed under a formal funding agreement to work toward the achievement of shared outcomes. DFO is a partner on the following five horizontal initiatives led by other federal government departments:

- Building Public Confidence in Pesticide Regulation and Improving Access to Pest Management Products (Pest Management Regulatory Agency — Health Canada);
- Canadian Biotechnology Strategy (Industry Canada);
- Federal Contaminated Sites Accelerated Action Plan (Environment Canada and Treasury Board Secretariat);
- Implementation of the Act Respecting the Protection of Wildlife Species at Risk in Canada (Environment Canada); and
- Marine Security (Transport Canada).

Further information on these horizontal initiatives can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Travel policies

Fisheries and Oceans Canada follows the Treasury Board Secretariat *Special Travel Authorities*.

Section 4 — Other Items of Interest

In this section:

- Organizational information
- DFO's people
- Awards and recognition
- Contacts for further information

Organizational information

Fisheries and Oceans Canada is a largely decentralized department with almost 9 of every 10 employees situated in regions outside the National Capital Region. The Department operates across Canada from six regional offices, as well as from the national headquarters in Ottawa. The regions are as follows.

Each of the six regions is headed by a Regional Director General (RDG) in a regional headquarters. The RDGs are responsible for organizing and managing the delivery of programs and activities in their regions through area offices, in accordance with national and regional priorities and within national performance parameters set for each program and activity.

The national headquarters in Ottawa — under the leadership of the Deputy Minister, Commissioner of the Canadian Coast Guard and five Assistant Deputy Ministers — is responsible for establishing national objectives, policies, procedures and standards. It also runs some national programs and monitors departmental activities nationwide to ensure the quality and consistency of service delivery.

The Canadian Coast Guard is a special operating agency within DFO under the leadership of the Commissioner and organized into five regions, each headed by a Regional Director.

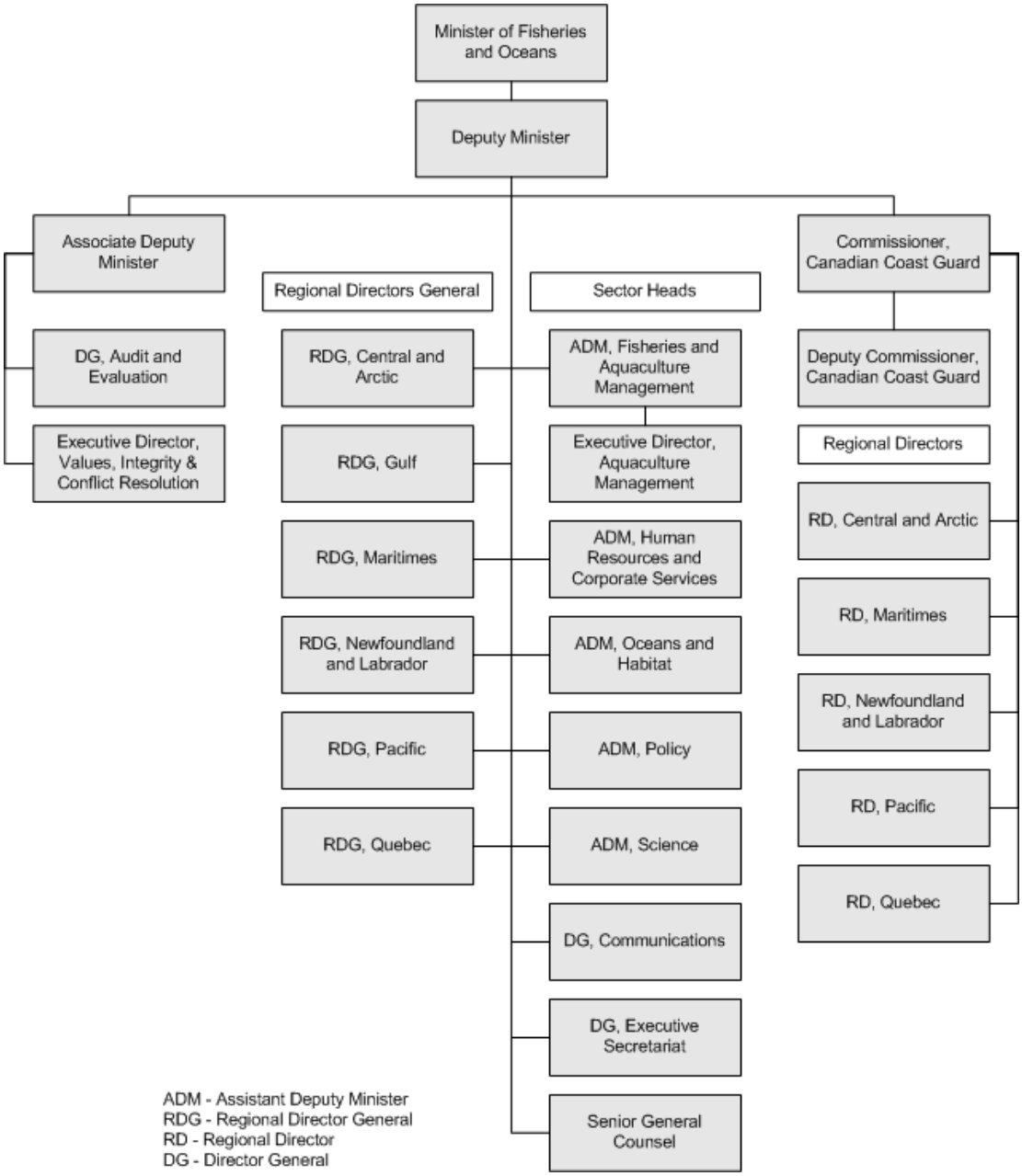
The rest of the Department is organized into five sectors, each headed by an Assistant Deputy Minister. Assistant Deputy Ministers are responsible for establishing national objectives, policies, procedures and standards for their respective sectors and business lines.

The Deputy Minister, Assistant Deputy Ministers and Regional Directors General work closely together in managing the Department and its operations.

Regional Directors General and Assistant Deputy Ministers report directly to the Deputy Minister.

This organizational and governance information is shown in the accompanying figure.

Organizational and governance information



The Departmental Management Committee (DMC) is the Department's senior decision-making body. The Committee is chaired by the Deputy Minister. Other members include:

- The Associate Deputy Minister;
- The Assistant Deputy Ministers;
- The Commissioner of the Canadian Coast Guard;
- The Regional Directors General;
- The Senior General Counsel, Legal Services;
- The Director General of the Executive Secretariat;

- The Director General, Communications; and
- The Executive Director, Aquaculture Management.

DMC is supported by four subcommittees: the Policy Committee, Litigation Committee, Investment Management Board and Human Resources Executive Committee. DMC has final decision-making authority on sub-committee business. However, the Human Resources Executive Committee and Departmental Review Committee as committees of the whole can make final decisions.

Final reporting and accountability rests with the Departmental Management Committee.

Fleet management

DFO owns and operates the largest civilian vessel and air fleet in the federal government. The CCG fleet is comprised of 107 vessels and 26 rotary-wing aircraft. It employs 2,300 seagoing personnel and shore personnel in five Regional Fleet Management Organizations and a national Fleet Headquarters. The fleet must be operational 24 hours a day, 365 days a year along the world's longest coastline and greatest area of territorial waters.

The mission of the Fleet, *Professionals delivering services at sea for Canadians*, is to ensure that our services are delivered in a safe, cost-effective and accountable manner to our clients, thereby contributing to the achievement of results for Canadians. Fleet's clients are mainly CCG Maritime Services, Fisheries and Oceans programs and other government departments and agencies, including the Royal Canadian Mounted Police.

During 2004-2005, the CCG Fleet completed the Fleet Management Renewal Initiative (FMRI), which was started in 2001 to address the Auditor General's recommendations on fleet management. While the individual objectives for each component of FMRI have been accomplished, CCG continues to improve each component:

- Fleet published its first Strategic Plan, which set the strategic framework for the national fleet as well as identified a roadmap of management strategies to reach our vision of *Excellence at Sea*.
- Fleet pursued further enhancements of its Financial Planning and Control component by implementing fixed and variable costing for sea days.
- Fleet improved its Human Resources Management by developing a five-year human resource plan that is tied to operational days and the operational work program negotiated with our clients. This enables Fleet to better forecast personnel requirements, identify potential gaps and assess the effects of changing Fleet demographics.
- Fleet undertook a review of its operational systems to identify improvement opportunities to enhance information integrity and reliability for decision making. Interventions on these systems have begun and will be implemented over a 3- to 5-year timeframe.
- Fleet successfully secured funding to renew its aging assets, based on a comprehensive 30-year plan. Funds for acquiring a new class of mid-shore patrol vessels and two offshore science research vessels were included in the 2005 Budget.
- Fleet continues to refurbish the CCG assets most in need using funding received in the 2003 Budget.

DFO's people

DFO participated actively at the government-wide level in the implementation of the *Public Service Modernization Act*, and efforts will continue in 2005-2006 as the Department prepares for the coming into force of the new *Public Service Employment Act* in December 2005.

DFO conducted its first exercise to actively monitor staffing performance. The focus was on the staffing values of non-partisanship, transparency, fairness and equity. Based on a risk assessment of staffing activities in the Department, information was collected, analyzed and evaluated. Corrective measures were implemented where required. In preparation for the implementation of the new *Public Service Employment Act*, DFO developed the governance, human resource planning, policy, control and communication elements required for an effective staffing management accountability framework.

With respect to planning, DFO implemented an Integrated Planning Framework aimed at ensuring strategic, business, financial and human resource planning is well aligned and mutually reinforcing. An Integrated Planning Committee, consisting of key stakeholders from across the Department, including human resources, finance, sectors and regions, was established. This committee is responsible for overseeing planning activities, ensuring the integration of different processes and the early consideration of different perspectives, as well as providing a challenge function for draft business plans.

The Integrated Planning Framework has four distinct phases. The first two phases were implemented in 2004-2005. In Phase I, annual priorities to guide the Department's planning for 2004-2005 and the following fiscal year were established. During Phase II, business plans were structured around the four Program Activity Architecture categories, with specific sector and regional activities embedded in them. These phases prepared DFO to implement the final two phases in 2005-2006. In Phase III, full-time equivalent and salary caps will be integrated into the Business Plan for each of the four categories. During Phase IV, managers and regional planners will be introduced to succession planning and career development.

In 2004, DFO approved a three-year Employment Equity Action Plan (EEAP) that addresses the findings of the September 2004 Employment Systems Review, as well as DFO's response to the Interim Employment Equity Audit Report by the Canadian Human Rights Commission. The EEAP was submitted to the Commission in December 2004 and, while the Department has not yet received feedback on the Plan, several actions are currently under way.

The DFO EEAP addresses the barriers or causal factors that were found to contribute to the under-representation of employment equity designated groups. DFO's actions relate to five key priority areas: leadership and corporate culture; recruitment and retention; learning and communications; policies and practices; and program management and monitoring.

Awards and recognition

Awards and recognition internal to DFO

Sixty recipients from across Canada received the Deputy Minister's Prix d'Excellence for their contributions to achieving DFO objectives during 2004.

The Deputy Minister's Commendations recognized the following individuals for acts of devotion to duty or bravery that contribute to the betterment and well-being of society:

- **Jean-Claude Bouchard** for his exceptional leadership, dedication and remarkable contribution as Associate Deputy Minister;
- **Patrick Chamut** for his strong leadership, selfless dedication and invaluable contribution as Assistant Deputy Minister, Fisheries Management;
- **Brian Giroux** for his exceptional dedication to the work of the Science Advisory Council and the Council of Science and Technology Advisors;

- **Officers and crew of CCGS Leonard J. Cowley** for their extraordinary resourcefulness, skill and ingenuity in the retrieval of an undersized net and liner from a Russian vessel fishing on the Tail of the Grand Banks;
- **Dr. Howard Powles** for his exceptional contribution and leadership in implementing the new *Species at Risk Act* in DFO; and
- **Several Maritimes employees** for their exceptional contribution and tremendous hard work in ensuring business resumption and community support in the aftermath of Hurricane Juan — Fishery Officers from the Burnside Conservation and Protection Detachment; Liverpool Conservation and Protection Detachment; Bridgewater Conservation and Protection Detachment; Marine Communications and Traffic Services Centre, CCG; Regional Operations Centre, CCG; Integrated Technical Services, CCG; and Informatics Infrastructure Support.

Approximately 370 employees received Distinction Awards for their outstanding achievements and contributions in furthering the objectives of the Department or the public service.

The Canadian Coast Guard honoured 17 employees in 2004-2005 with the Governor General's Canadian Coast Guard Exemplary Service Medal.

Over 600 DFO employees were recognized for their long service with the federal government: 233 for 15 years of service; 327 for 25 years of service; and 84 for 35 years of service.

Awards and recognition from outside organizations

Hugh Akagi — St. Andrews Biological Station Award

Hugh Akagi received the St. Andrews Biological Station Award for his exceptional contributions to the life and well-being of the Station and its local community over many years.

Boussard Akrour

Boussaad Akrour has received the *Geomatica* Triathlon Award for an article comparing methods for the calibration of Global Positioning System antenna phase centres.

Jasmir Basi and Sylvie Joseph — Michelle Comeau Human Resources Leadership Award

Jasmir Basi, Senior National Organization and Classification Advisor, Pacific Region, and Sylvie Joseph, Director Corporate Compensation in Ottawa, received the Michelle Comeau Human Resources Leadership Award: Ms. Basi for her outstanding expertise and knowledge as a Human Resources Advisor in the South Coast Area Office of the Pacific Region, Ms. Joseph for her outstanding commitment and dedication to the Human Resources Council's Compensation Renewal Working Group.

Marthe Bérubé

Marthe Bérubé has received a bonus for the Habitat Stewardship Program for Species at Risk.

British Columbia Federation of Drift Fishers, Long Point Bay Anglers Association, Moose Jaw Wildlife Federation, Dean O'Toole and John Wright — 2005 Recreational Fisheries Award

The British Columbia Federation of Drift Fishers, Long Point Bay Anglers Association, Moose Jaw Wildlife Federation, Dean O'Toole and John Wright received the 2005 Recreational Fisheries Award for their hard work and dedication in developing and enhancing the recreational fishing experience throughout Canada.

Victor Cairns — Conservation Halton 2004 Award of Excellence

Victor Cairns, Acting Regional Science Director of the Central and Arctic Region, received this award for his commitment to the Fish and Wildlife Restoration Project in the Hamilton Harbour and Cootes Paradise regions. The Award of Excellence recognizes individuals and organizations that have helped protect the natural environment in the Halton watershed.

Dr. Steven Campana — Lifetime Achievement Award for Otolith Science

Dr. Steven Campana, a research scientist at the Bedford Institute of Oceanography, was awarded the Lifetime Achievement Award for Otolith Science.

Steve Daoust — Commissioner's Commendation and the CCGA Exemplary Service Medal

Steve Daoust, Superintendent of the Canadian Coast Guard Auxiliary, was awarded the Commissioner's Commendation and the Canadian Coast Guard Auxiliary Exemplary Service Medal. Daoust has been making a valuable contribution to the success of the CCG's Search and Rescue Branch since 1978, and he has been instrumental in the development and growth of the Auxiliary.

Dr. Edward Donaldson — Aquaculture Association of Canada, Research Award of Excellence

Dr. Edward Donaldson, Scientist Emeritus at the West Vancouver Laboratory of DFO, was recognized for his career in aquaculture. Among his research interests were growth acceleration and the evaluation of stress in wild and cultured salmonids. This award is presented for outstanding contributions to aquaculture research.

Dave Duggan — First Nations Plaque

Dave Duggan received a First Nations plaque for his personal dedication to the development of a more effective management structure for the Bras d'Or Lakes.

Mike Eaton — Order of Canada

Mike Eaton, retired hydrographer with the Canadian Hydrographic Service, was recognized this year as a Member of the Order of Canada. During his career, Mr. Eaton developed techniques to accurately map frozen bodies of water and more precisely survey vast portions of the offshore. His most notable achievement was the invention of the electronic chart, which has led to improved marine safety around the world. The Order of Canada is our country's highest honour for lifetime achievement.

David Gray — Canadian Institute of Geomatics Jim Jones Award

David Gray, Geodesy, Radio Positioning and Maritime Boundary Specialist, received this award for producing the best article in the Supplement section of *Geomatica*, the Canadian Institute of Geomatics quarterly publication. The award is presented annually for contributions to *Geomatica*. Mr. Gray's article was on the historical significance of the transit of Venus.

The Great Lakes Laboratory for Fisheries and Aquatic Sciences — Bay Area Restoration Council's Annual Implementation Award

The Great Lakes Laboratory for Fisheries and Aquatic Sciences received the Bay Area Restoration Council's 11th Annual Implementation Award. The award recognizes organizations that have made a significant contribution to the restoration of Hamilton Harbour and its watershed.

Dr. D. John Martell — Secretary of the Canadian Society of Zoologists

Dr. D. John Martell, marine fish research physiologist at St. Andrews Biological Station, was elected to the position of Secretary of the Canadian Society of Zoologists.

Jack Orr — Fisheries Joint Management Committee Co-operative Management Award

Jack Orr, DFO Marine Mammal Stock Assessment Technician, was recognized for his years of dedication to the study, conservation and management of beluga whales in the Arctic and the Beaufort Sea. The Co-operative Management Award recognizes significant contributions to the co-operative management of fisheries of the Arctic, in particular those of the Inuvialuit Settlement Region.

Dr. Timothy R. Parsons — Timothy R. Parsons Medal

Dr. Timothy R. Parsons, Professor Emeritus at the University of British Columbia and an Honorary Research Scientist at the Institute of Ocean Sciences in Sidney, is the first recipient of the award named in his honour. The award recognizes excellence in Canadian ocean sciences. Dr. Parsons' work has focused on using oceanographic information to establish a new ecosystem approach for fisheries management.

Dr. Brian Petrie — Canadian Meteorological and Oceanographic Society's J.P. Tully Medal in Oceanography

Dr. Brian Petrie has been awarded the 2004 Tully Medal for his outstanding contributions to oceanography in Canada. His early research led to a clearer understanding of important physical processes in the coastal ocean. Recently, his collaborative work in monitoring and interpreting the variability of marine ecosystems resulted in significant breakthroughs in understanding long-term changes and regime shifts.

David Pugh — Natural Resources Canada Earth Science Sector Merit Award

David Pugh, Manager, Geospatial Projects Integration Office, received a Natural Resources Canada Earth Science Sector Merit Award for his contribution to the earth and marine science sectors in general and the Marine Geospatial Data Infrastructure in particular. The Marine Geospatial Data Infrastructure has evolved to become a critical tool for the sustainable development and management of national marine, coastal and freshwater areas.

John Redican — Member of the Order of Military Merit

John Redican, Director of the Fleet Management Renewal Initiative, was invested as a Member of the Order of Military Merit. John received his insignia from the Governor General at a ceremony at Rideau Hall on November 9, 2004. The Order of Military Merit, established in 1972, recognizes careers of exceptional service and distinctive merit of the men and women of the Canadian Forces and Reserves.

Dr. Shawn Robinson — Dedicated Service Award, Aquaculture Association of Canada

Dr. Shawn Robinson, a research scientist at St. Andrews Biological Station, received a Dedicated Service Award from the Aquaculture Association of Canada for contributions to the board of Directors and executive (Treasurer 1997-2001; President Elect 2001-2002; President 2002-2003; Past-President 2003-2004).

Garnet L. Spicer — United States Coast Guard Public Service Commendation

Garnet Spicer, an employee with Marine Programs in the Maritimes Region, received the United States Coast Guard Public Service Commendation for his work as co-director of CANUSLANT 2002. CANUSLANT 2002 is the latest in a series of biennial exercises based on the Canada-United States Joint Marine Pollution Contingency Plan and its Atlantic Operational Supplement.

Dr. Edward Trippel — Runner-up Award, International Smart Gear Competition

Dr. Edward Trippel, a research scientist at DFO's St. Andrews Biological Station, received the runner-up prize in the International Smart Gear Competition. The competition recognizes inventors who have

created practical, cost-effective solutions that reduce by-catch. Dr. Trippel, along with two other non-DFO colleagues, invented a gillnet that reduces the bycatch of harbour porpoises.

Don Vachon — 2004 Agatha Bystram Award for Leadership in Information Management

Don Vachon, Manager of Engineering Development, was recognized by Library and Archives Canada and the Council of Federal Libraries for his outstanding contribution to information resources management. Mr. Vachon played a key role in the creation of DFO's GeoPortal, a Web site that provides one-stop access to marine geospatial data and services.

Dr. Daniel Ware — Timothy R. Parsons Medal

Dr. Ware, a retired DFO scientist, received the Timothy R. Parsons Medal for his outstanding contribution to Canadian ocean sciences. He has produced influential studies covering such topics as ecosystem dynamics, the inter-relationships between fish stocks and physical environmental factors, and climate change.

Kenneth Weaver

Kenneth Weaver, Fishery Officer, Pacific Region, had his name engraved on the granite monuments honouring fallen police and peace officers in Ottawa and Victoria. On September 2, 1948, Mr. Weaver was conducting aerial surveillance of the commercial salmon seine fishery in Johnstone Strait, B.C., when his plane crashed, killing him and the pilot.

Contacts for further information

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Newfoundland and Labrador	Jan Woodford	(709) 772–7622
Maritimes	Kathy Kieley	(902) 426–3866
Gulf	Terrance Boucher	(506) 851–7757
Quebec	Marcel Boudreau	(418) 648–7316
Central and Arctic	Lawrence Swift	(519) 383–1830
Pacific	Deborah Phelan	(604) 666–8675
Headquarters	Anne Lamar	(613) 990–0219

Section 5 — List of Acronyms and Index

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List of acronyms

AAROM	Aboriginal Aquatic Resource and Oceans Management
ACRDP	Aquaculture Collaborative Research and Development Program
ADM	Assistant Deputy Minister
AFN	Assembly of First Nations
AIHP	Aboriginal Inland Habitat Program
AIS	Automatic Identification System
CCG	Canadian Coast Guard
CEAA	*Canadian Environmental Assessment Act*
CEPA	*Canadian Environmental Protection Act*
CESD	Commissioner of the Environment and Sustainable Development
CHS	Canadian Hydrographic Service
DFO	Fisheries and Oceans Canada
DMC	Departmental Management Committee
DNA	Deoxyribonucleic acid
DPR	Departmental Performance Report
EEAP	Employment Equity Action Plan
EPMP	Environmental Process Modernization Plan
FAO	Food and Agriculture Organization
FMR	Fisheries Management Renewal
FMRI	Fleet Management Renewal Initiative
ITS	Integrated Technical Services
IUU	Illegal, Unreported and Unregulated
LRIT	Long-Range Identification and Tracking
MCTS	Marine Communications and Traffic Services
MPA	Marine Protected Area
NAFO	Northwest Atlantic Fisheries Organization
NSNR	*New Substance Notification Regulations*
PWGSC	Public Works and Government Services Canada
SAR	Search and Rescue
SARA	*Species at Risk Act*
SCH	Small Craft Harbours
WTO	World Trade Organization

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