Fisheries and Oceans Canada

Departmental Performance Report

For the period ending
March 31, 2006

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A Message from Canada's Minister of Fisheries and Oceans

As Minister of Fisheries and Oceans, I am pleased to present our *Departmental Performance Report* for 2005-2006.

The Department of Fisheries and Oceans (DFO) role is to manage Canada's publicly owned fish and ocean resources on behalf of Canadians — and for the benefit of Canadians. We provide the programs and services to Canadians that ensure the sustainable development and safe use of our waters.

DFO pursues these objectives by working toward three strategic outcomes:

- Safe and Accessible Waterways;
- Sustainable Fisheries and Aquaculture; and
- Healthy and Productive Aquatic Ecosystems.

This past year, DFO, including the Canadian Coast Guard, continued its tradition of excellence in serving Canadians. The Department has made significant progress in a number of key areas that support our mandate and help build a brighter future for Canadians through better management of our fisheries and oceans, and safer waterways.

In 2005-2006, the Coast Guard saved 1,300 persons at risk or in distress. Thanks to improved vessel traffic management and advances in navigation, as well as efforts by other stakeholders involved in marine transportation, there were 10 percent fewer collisions, strikings and groundings on Canadian waters, and, with the help of a light ice year, a 35 percent reduction in ice-damaged vessels.

DFO continued to lead the implementation of the government-wide Oceans Action Plan. This plan serves as the overarching umbrella for coordinating and implementing oceans activities, and provides a framework to sustainably develop and manage our oceans. As part of this plan, DFO identified and designated three Marine Protected Areas (MPAs) this year, helping to conserve and protect sensitive marine habitats and species in Canadian waters. This brings the total number of designated MPAs to five.

Also this year, DFO and the Atlantic Canada Opportunities Agency announced funding for the SmartBay project in Placentia Bay, Newfoundland and Labrador. The project is testing advanced, Canadian-made technology that supports integrated oceans management and decision-making, as well as enhanced vessel traffic safety.

DFO continued to improve the effectiveness and efficiency of the Habitat Management Program through its implementation of the Environmental Process Modernization Plan. Key accomplishments include applying a science-based risk management framework to program operations and streamlining the regulatory review process by providing guidance on how to comply with the habitat protection provisions of the *Fisheries Act*.

Strengthening Canada's aquaculture industry continues to be a priority. In August 2005, Canada took centre stage in Norway at the world's largest international aquaculture tradeshow, Aqua Nor 2005. DFO and its partners showcased Canadian science, technology and expertise in farmed fish and seafood at the Canada Pavilion. Also at the event, Canada and Norway announced an International Working Group on Cold Water Aquaculture to exchange ideas and increase collaboration among countries on issues of food safety and environmental sustainability. We have also continued to work on a

collaborative national framework to help renew the aquaculture industry and ensure it reaches its fullest potential, in an environmentally responsible manner.

DFO continued to work with the Canadian Food Inspection Agency last year to implement the National Aquatic Animal Health Program, which is designed to protect wild and cultured fish from serious infectious diseases that negatively impact productivity and competitive access to international markets.

DFO also made progress on the Fisheries Renewal initiative. This initiative includes three streams of work designed to enable program and legislative renewal while putting in place the necessary operational supports. The three streams are: Conservation, Stewardship and Compliance Renewal; Legislative Renewal; and Business Modernization. Accomplishments in 2005-2006 included the announcement of the Pacific Wild Salmon Policy and progress on the development of a new governance model for fisheries management.

DFO's relationships with provincial and territorial governments are maintained through formal Ministerial councils, the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM), and Atlantic and Pacific councils. In 2005-2006, CCFAM continued to work on priority issues in the areas of aquatic invasive species, recreational fishing, aquatic species at risk, oceans and aquaculture. During this period, the Atlantic Council of Fisheries and Aquaculture Ministers (ACFAM) established two task groups to provide an overview of the snow crab and shrimp industry from sea to marketplace. The task groups will report to Ministers at the ACFAM meeting in Fall 2006.

To better support these and other key departmental initiatives, the Department began implementing a series of long-term changes to the Science Program based on the findings of a comprehensive review completed in 2004-2005. In the first year of implementation, priority issues requiring science support were identified by the Department's newly established Science Management Board. The highest priorities for the Science Program are to provide support for ecosystem-based management, and to rejuvenate the Science workforce in light of changing demands and attrition. We also initiated the development of a five-year strategic research plan to ensure that we meet the anticipated knowledge requirements of tomorrow, and established issue-specific Centres of Expertise to optimize the delivery of high priority research.

DFO also undertook initiatives to strengthen the Small Craft Harbours Program to help ensure that it can continue to serve the critical needs of the fishing and aquaculture industry. These efforts included working very closely with volunteer Harbour Authorities who operate and manage DFO's small craft harbours throughout Canada.

Within DFO, 2005-2006 saw the successful implementation across all regions of the *Public Service Modernization Act*, and we continued to improve our management, planning and corporate processes, through a variety of initiatives.

Clearly, it was a busy year for DFO. Our past achievements are matched only by the challenges and opportunities that lie ahead. I look forward to working with the talented people here at DFO and our partners across Canada and beyond, to seize further opportunities for success — on behalf of all Canadians from coast to coast to coast.

The Honourable Loyola Hearn, P.C., M.P.
Minister of Fisheries and Oceans

Management Representation Statement

I submit, for tabling in Parliament, the *2005-2006 Departmental Performance Report* 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 Part III of the 2005-2006 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the TBS guidance;
- It is based on the department's approved Program Activity Architecture structure as reflected in the Management, Resources and Results Structure;
- It presents consistent, comprehensive, balanced and reliable information.
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- 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. As a department committed to sustainable development, DFO works to protect and conserve Canada's aquatic resources, while supporting the development and use of these resources.

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.

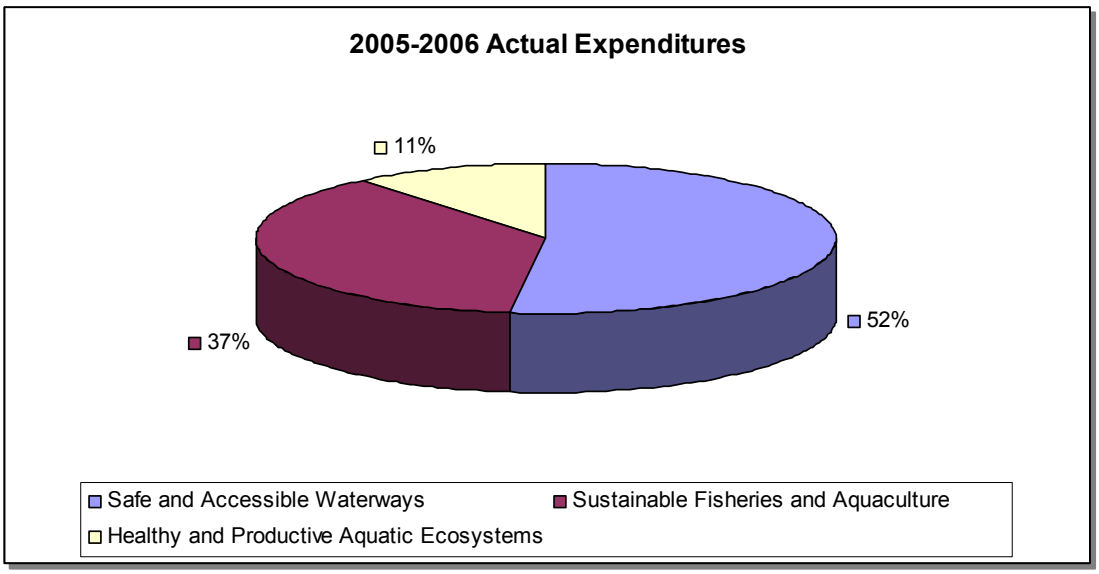
In pursuit of the above mandate, DFO is committed to three strategic outcomes — the long-term and enduring benefits that Canadians derive from the Department's vision and efforts. The following table describes these three strategic outcomes.

Strategic Outcome	Description
Safe and Accessible Waterways	Providing access to Canadian waterways, and ensuring the overall safety and integrity of Canada's marine infrastructure for the benefit of all Canadians.
Sustainable Fisheries and Aquaculture	Delivering an integrated fisheries and aquaculture program that is credible, science based, affordable and effective, and contributes to sustainable wealth for Canadians.
Healthy and Productive Aquatic Ecosystems	Ensuring the sustainable development and integrated management of resources in or around Canada's aquatic environment through oceans and fish habitat management. It also involves carrying out the critical science and fisheries management activities that support these two programs.

Financial and Human Resources for 2005-2006

Total Financial Resources for the Department, 2005-2006 (millions of dollars)

Planned Spending	Total Authorities	Actual Spending
1,445.1	1,579.7	1,494.5



Total Human Resources for the Department, 2005-2006 (number of full-time equivalents)

Planned	Actual	Difference
10,256	10,281	-25

DFO's Program Activity Architecture

DFO's basis for reporting to Parliament is its Program Activity Architecture (PAA). The purpose of the PAA is to explain the relationship between the activities the Department undertakes and the three strategic outcomes it is working to achieve. The PAA seeks to describe how the Department manages the resources under its control to achieve intended results/outcomes.

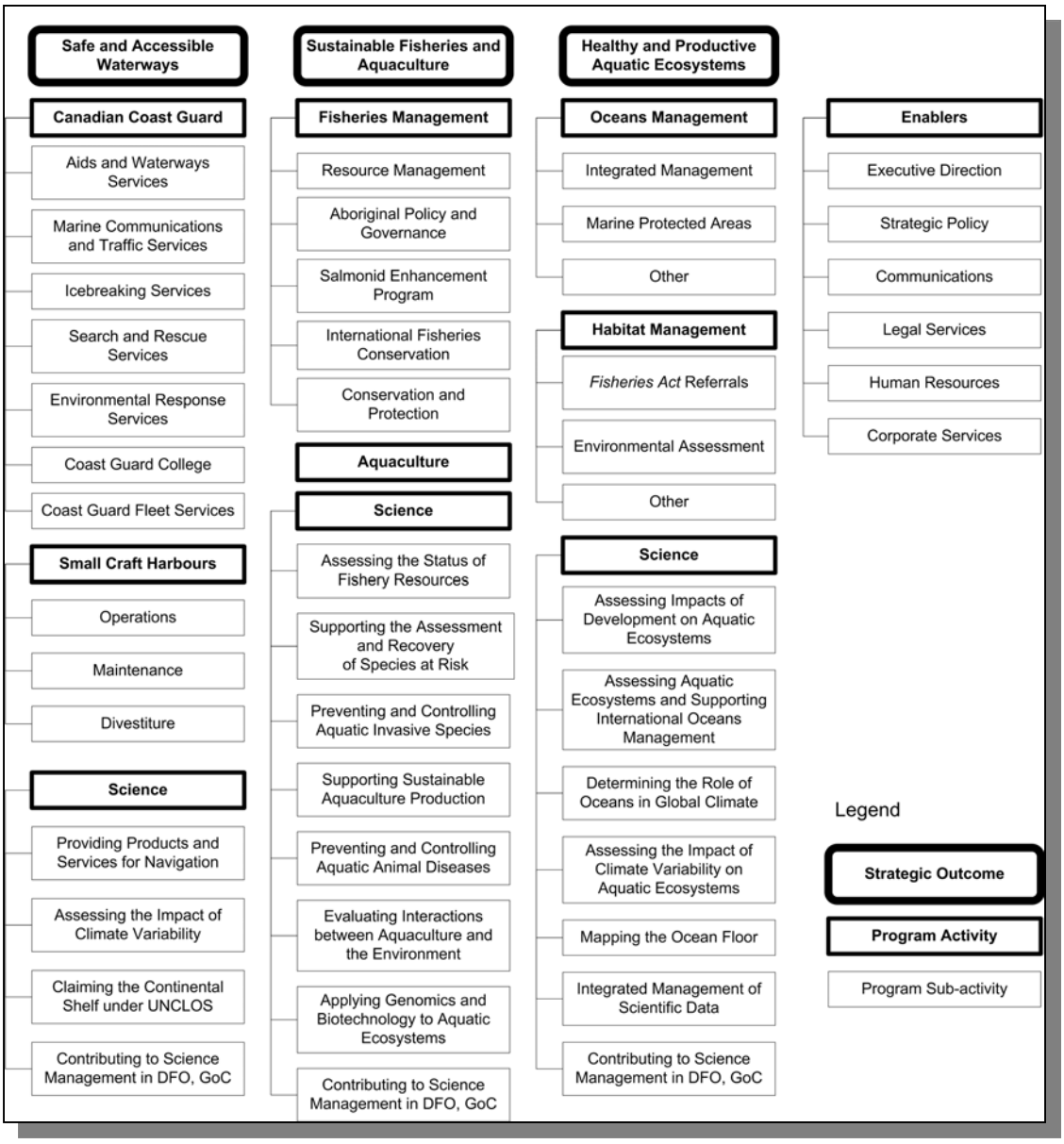
DFO's PAA specifies three strategic outcomes:

- **Safe and Accessible Waterways** — managed by Canadian Coast Guard, Small Craft Harbours and Science;
- **Sustainable Fisheries and Aquaculture** — managed by Fisheries Management, Aquaculture and Science; and
- **Healthy and Productive Aquatic Ecosystems** — managed by Oceans Management, Habitat Management and Science.

The PAA also captures the functions required to ensure a solid framework within which managers can effectively deliver services to Canadians. These functions are called Program Enablers. Additional information about the Program Enablers can be found in Section 4.

Each strategic outcome in the PAA is associated with one or more program activities. Each program activity is in turn associated with one or more program sub-activities. The PAA provides a framework that links expected results and performance measures to individual activities. Actual results are reported in terms of PAA activities and sub-activities.

DFO's Program Activity Architecture



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.

DFO continues to face challenges in meeting its mandate within available resources. While Fisheries and Oceans has received additional funding to support core programs and services to Canadians, inflation, and in particular increasing fuel costs, continues to affect 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. It has also developed a comprehensive Transformational Plan aimed at modernizing the delivery of core programs and services and providing a practical roadmap for balancing commitments with available resources. When implemented, the Transformational Plan will help DFO to deliver most programs through improved legislative, regulatory and administrative structures.

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 the three strategic outcomes:

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

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

The implementation of the Transformational Plan, which will take place over several years, involves a variety of specific initiatives focused on the strategic outcomes in the Department's Strategic Plan. These include:

- Safe and accessible waterways:
  - Focusing on client service by underscoring the Canadian Coast Guard (CCG) operational mandate through its transformation into a Special Operating Agency.
  - Focusing on improvements to effectiveness through enhancing the Coast Guard's support role in Canada's maritime security operations, and initiating urgently required refits of existing vessels.
  - Improving CCG's operational efficiency, through the consolidation of facilities and equipment, helicopters and overflights related to ice information and pollution; making more use of modern technology and contracting to provide marine aids; and focusing on the effective management of people through the renewal of the CCG College.
  - Ensuring that the CCG fleet is able to effectively fulfil its mandate and serve a range of DFO and Government of Canada programs through a long-term recapitalization process.
  - Securing adequate funding for the Small Craft Harbours Program to ensure at a minimum the basic safety and accessibility of its 750 core fishing harbours, and to provide continued and improved support to local Harbour Authorities who manage these harbours.
  - Undertaking additional hydrographic charting in high-risk areas to help ensure the safe navigation of mariners in key areas and in areas of increased industrial activities where current charts are less than adequate.
- Sustainable fisheries and aquaculture:
  - Adopting an ecosystem approach to fisheries management, a conservation framework based on the precautionary approach and more structured decision-making for fisheries management, based on shared stewardship, more stable access and allocations, and improved relations with fishers.
  - Using education, monitoring, and administrative sanctions to achieve compliance among licensed fishers, while focusing more traditional enforcement methods on those engaged in organized poaching and other fraudulent activities.

- Focusing DFO fisheries management activities on the public interest and having industry assume costs related mainly to private benefits.
- Working proactively to foster collaborative relations with Aboriginal groups, reduce Aboriginal-non-Aboriginal tensions on the water, and increase Aboriginal participation in the fishery.
- Producing a coherent, national approach to aquaculture through enhanced federal-provincial-territorial cooperation and a National Aquatic Animal Health Program.

- Healthy and productive aquatic ecosystems:
  - Taking an integrated approach to oceans policy and management through implementation of the Oceans Action Plan.
  - Using smart regulation and risk management to protect fish habitats in a way that is more effective and timely, by focusing in-depth reviews on major projects — such as hydro dams and mines — and using guidelines and best practices to avoid harming fish habitat for lower risk activities, such as bridge and culvert maintenance.
  - Improving relationships with provinces/territories, First Nations and stakeholders through a modernized approach to fish habitat protection.
  - Taking a broader ecosystem-based scientific approach — an interdisciplinary approach that delivers a more complete understanding of the diversity, population dynamics, habitat and implications for development, and ultimately provides for more comprehensive information necessary to preserve, sustain and restore resources and habitats.

Summary of Performance by Departmental Priority

In its 2005-2006 *Report on Plans and Priorities*, DFO identified seven program priorities. The table below presents the planned and actual spending for each priority. Performance in terms of these priorities is discussed in more detail following the table.

Planned and Actual Spending by Departmental Priority, 2005-2006 (millions of dollars)

Departmental Priority	Supported by Program Activity	Type[1]	Performance Status[2]	Planned Spending	Actual Spending
Safe and Accessible Waterways					
Canadian Coast Guard Rejuvenation	Canadian Coast Guard	Ongoing	Successfully met	13.5	12.7
Sustainable Fisheries and Aquaculture					
International Governance	Strategic Policy/ Fisheries Management	Previous	Successfully met	2.7	2.7
Fisheries Renewal	Fisheries Management	Previous	Successfully met	*	*
Aquaculture Governance	Aquaculture	Previous	Successfully met	2.4	2.5
Healthy and Productive Aquatic Ecosystems					
Oceans Action Plan	Oceans Management	Previous	Successfully met	16.9	16.0
Environmental Process Modernization	Habitat Management	Previous	Successfully met	11.2	10.7
Contributing to All Strategic Outcomes					
Science Renewal	Science	Previous	Successfully met	*	*

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

[1] Type of priority is *new*, *ongoing* or *previous*. *New* means the priority was introduced during this performance period. *Ongoing* means the priority has no end date. *Previous* means the priority was reported in a prior *Report on Plans and Priorities* or *Departmental Performance Report*.

[2] Performance status is *successfully met*, *not met* or *exceeded*.

Canadian Coast Guard Rejuvenation

Through the Coast Guard Rejuvenation initiative, CCG has sought to sustain its vital role on Canadian waterways. In addition to being a front-line contributor to Safe and Accessible Waterways through its own services and programs, CCG is an important partner in the delivery of oceans priorities and programs, including marine sciences and fisheries management. Furthermore, CCG is involved in the delivery of other federal government objectives pertaining to maritime safety, security, environmental protection and emergency response. Coast Guard Rejuvenation is about sustaining or enhancing CCG's ability to effectively contribute in this multi-faceted role.

One of the key principles of CCG Rejuvenation is the evolution of CCG as a Special Operating Agency (SOA). Under its new SOA status, CCG continues to improve its operational and management flexibility to realize benefits for its clients and stakeholders. Formal authorities that came into effect in 2005-2006 gave CCG more flexibility in how it manages funding issues related to emergencies, capital expenditures, and clean-up costs recovered from polluters. CCG has also been integrating many of its management systems to realize greater efficiencies and allow for more streamlined and consistent service nationally. Such integration has revolved around CCG's Financial Management Framework, initiatives and activities related to its Corporate Risk Profile, and its Program Activity Architecture.

An example of the Coast Guard Agency's renewed focus on addressing the interests of stakeholders is the progress made in the establishment of a marine industry advisory body, the National Marine Advisory Board (NMAB). The marine industry has agreed to the Terms of Reference, and the NMAB will meet at least twice yearly in conjunction with Agency strategic and operational planning cycles. NMAB will provide a forum to discuss shared priorities and objectives, as well as to provide feedback on service delivery. It is expected that the new NMAB will facilitate the re-establishment of regional advisory boards.

Another important aspect of both CCG's Rejuvenation and its evolution as an SOA is the renewal of the fleet asset base. In the 2005 Budget, the Fleet Renewal initiative was allocated $276 million over five years to acquire four midshore patrol vessels and two offshore fishery science vessels. Furthermore, under maritime security initiatives, Budget 2005 allocated $125 million for interim measures and the purchase of four new midshore patrol vessels for the joint CCG/RCMP Marine Security Enforcement Program to address maritime security gaps on the Great Lakes — St. Lawrence Seaway system. These projects received Preliminary Project Approval in 2005; their implementation phase will start in 2006. (See Section 2 for more information.)

CCG Rejuvenation also seeks to enhance marine services through technology-based productivity improvements. An important initiative in this regard is Marine Aids Modernization (MAM), which involves implementing new technologies and, where viable, using outside sources to maintain equipment. In 2005-2006, the MAM initiative took steps to take optimal advantage of technologies like the Global Positioning System/Differential Global Positioning System. (See Section 2 for more details.)

International Governance

In terms of International Governance, it has been a dynamic year and results to date are excellent. DFO is leading the results-based implementation of Canada's strategy to combat global overfishing and improve international fisheries and oceans governance. The strategy affirms Canadian leadership to protect, conserve and recover straddling and highly migratory fish stocks within and beyond Canada's 200-nautical mile zone and the high seas. The strategy also proposes taking action to halt and reverse both the long-term trends of global overfishing and failures in governance that threaten the world's ocean biodiversity.

In conjunction with an enhanced aerial and at-sea patrol presence to deter vessels from illegal fishing, Canada's strategy involves working through diplomatic channels to push countries to hold their vessels accountable, as well as building our understanding of fisheries and oceans through increased scientific research on high seas ecosystems and fish stocks.

In May 2005, the Government of Canada hosted the intergovernmental conference on the *Governance of High Seas Fisheries and the United Nations Fish Agreement* in St. John's, Newfoundland and Labrador. Ministers from 19 states issued a *Ministerial Declaration* outlining specific commitments to: fight illegal fishing; strengthen the use of scientific information and the precautionary approach in the decision-making of regional fisheries management organizations (RFMOs); and provide stronger monitoring, control and surveillance regimes. The St. John's Conference *Ministerial Declaration* also set in motion a reform of RFMOs, which culminated in the unanimous agreement of Northwest Atlantic Fisheries Organization members to reform the Organization.

In September 2005, DFO co-chaired the meeting of the Asia-Pacific Economic Cooperation Ministers in Bali, Indonesia. Members agreed on a plan of action to better balance economic growth and prosperity with stronger oceans conservation and marine resources management. The Bali Action Plan recognizes that healthy oceans and coasts are particularly crucial for food security, poverty alleviation and sustainable and equitable economic growth, as well as environmental and resource sustainability in the Asia-Pacific region.

In December 2005, Canada invested some $11 million to fund research activities aimed at improving our understanding of sensitive marine areas and aquatic species on the Grand Banks of Newfoundland. It will also fund research on straddling and highly migratory fish stocks in both the Atlantic and Pacific Oceans and the ecosystems of surrounding oceans, and support research initiatives on sustainable fisheries practices and harvesting strategies that use a precautionary approach.

Canada continues to play a pivotal role in the work of the High Seas Task Force (HSTF) on illegal, unreported and unregulated fishing, particularly in the launch of the HSTF final report in March 2006 in Paris. Among the priorities for immediate action announced by HSTF are the development of an International Monitoring, Control and Surveillance Network business plan, a High Seas Vessels Information System business plan, and a plan to establish a high-level panel to develop a model for RFMO performance standards.

Canada's leadership was also demonstrated at the preparatory meeting for the United Nations Fish Stocks Agreement Review Conference in March 2006, where Canada proposed a model for the assessment of the Agreement that was accepted by all participants.

Other successes on the international fisheries and oceans governance file include work done under the Pacific Salmon Treaty. For example, a Chinook salmon fishery that is cooperatively managed on the transboundary rivers in northwestern British Columbia was established, and a new strategy was adopted by Canada and the United States for the management of chum salmon fisheries in southern British Columbia.

Fisheries Renewal

With regards to Fisheries Renewal, the announcement of the Pacific Wild Salmon Policy in 2005 was a key milestone. This policy is the result of five years of work by the Pacific region in consultation with Canadians concerned about the protection of Pacific salmon. It defines a new approach to salmon conservation in the region and provides broader guidance on managing to achieve biodiversity objectives.

DFO continues to develop a new governance model for fisheries management, including proposals to modernize the *Fisheries Act* and revitalize the fisheries management program. Fisheries Management Renewal (FMR) is a package of program renewal undertakings that promote a strong and healthy resource and an improved relationship with resource users and others. FMR will result in a modern fisheries management regime based on shared stewardship: one that meets conservation objectives and improves the ability of resource users to respond to economic forces.

For example, in the continuing efforts to provide stability in its access and allocation approach, in March 2006, DFO announced that current sharing arrangements in a vast majority of Atlantic fisheries would be maintained and that two more stabilization plans would be introduced.

Aquaculture Governance

The Aquaculture Governance file is also moving along, with the Department working with its federal and provincial partners toward the development of a national framework to guide the renewal of the aquaculture sector. Through this initiative, DFO and its partners will create the conditions necessary to enable Canada to achieve its full aquaculture potential in a manner that is environmentally responsible and that generates important socio-economic benefits for Canada's rural and coastal communities.

Oceans Action Plan

As part of the Oceans Action Plan (OAP), program delivery in 2005-2006 was focused in five Large Ocean Management Areas (LOMAs) on all three coasts. Ecosystem overviews were completed for two of these five LOMAs, including the identification of ecologically protected areas. The overviews for the remaining three LOMAs are scheduled for completion and review this fiscal year.

In 2005, DFO announced the designation of three new Marine Protected Areas (MPAs) in Eastern Canada — Basin Head (Prince Edward Island), Gilbert Bay (Labrador) and Eastport (Newfoundland and Labrador). These three MPAs are being designated as part of the first phase of the OAP, which was released in May 2005. Building the federal network of MPAs will continue in 2006, as three additional MPAs of interest are scheduled for regulatory submission this year. The Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment is expected to be finalized shortly. The formal establishment of federal-provincial (Aboriginal) governance in two of the five LOMAs and the development of federal/provincial/territorial governance proposals in two more LOMAs will provide key mechanisms to integrate programs, policies and management actions of equivalent national/interdepartmental and federal/provincial structures.

DFO also signed a collaborative agreement with the World Wildlife Fund of Canada. Both parties will work together to reinforce sustainable ocean development and advance the OAP.

Environmental Process Modernization

Through the Environmental Process Modernization Plan (EPMP), the Habitat Management Program (HMP) has improved the efficiency and effectiveness of the Program through the use of such tools as the habitat risk-management framework and the integration of habitat regulatory processes with those of provincial/territorial governments. Key accomplishments also include the implementation of 13 National Operational Statements designed to provide proponents with guidance on how to comply with the *Fisheries Act* on low-risk activities, thereby reducing the number of referrals submitted to DFO and allowing resources to be reallocated to higher risk reviews. In addition, the Mandatory Training Program for Habitat staff was launched. This training program will improve predictability and coherence in the delivery of HMP across Canada. As well, DFO implemented the development of the Habitat Compliance Modernization element of the EPMP, which is designed to ensure that the HMP is supporting the full

spectrum of compliance activities, including education, monitoring, adaptive management, and enforcement where necessary.

Science Renewal

Significant progress has been made on commitments associated with Science Renewal. A Science Management Board has been established and has held two meetings to date (October 2005 and January 2006). The Board has been instrumental in helping to better align the Science Program with departmental and government-wide priorities. The adoption of innovative approaches to the way science is performed and to the way collaborative partnerships are established is an important element of Science Renewal. In the first year of the Science Renewal agenda, Centres of Expertise have been established, and others are currently under development. (See Section 2 for more details.)

Expenditure Review Savings

DFO has 14 Expenditure Review commitments. Of these, nine commitments involved targeted reductions of $18.7 million and 46 full-time equivalents for 2005-2006. Detailed implementation plans were developed to achieve these reductions. To monitor departmental progress toward achieving the reductions, DFO implemented a quarterly review incorporating a challenge process from departmental finance, human resource, risk and policy experts. The review process also included the five commitments that did not have targeted savings until 2006-2007.

DFO achieved the 2005-2006 targeted savings. Details of the Expenditure Review commitments can be found in Section 2.

Alignment to Government of Canada Outcomes

Canada's Performance, the annual report to Parliament on the federal government's contribution to Canada's performance as a nation, is structured around three areas:

- Economic Affairs, which demonstrates the increased importance given to the links between the Canadian economy and the natural environment;
- Social Affairs, which reflects the important role health care plays in Canadian society; and
- International Affairs, which recognizes the international dimension of government activity needed to advance national aspirations.

Each of these areas is associated with a number of outcomes that the federal government is working to achieve. The following table shows the relationship between these Government of Canada outcomes and DFO's outcomes.

Government of Canada Outcome	Safe and Accessible Waterways	Sustainable Fisheries and Aquaculture	Healthy and Productive Aquatic Ecosystems
Economic Affairs			
Strong economic growth		✓	
An innovative and knowledge-based economy	✓	✓	✓
A fair and secure marketplace	✓	✓	
A clean and healthy environment	✓	✓	✓
Social Affairs			
Safe and secure communities	✓		
International Affairs			
A strong and mutually beneficial North American partnership	✓		

Section 2 — Analysis by Strategic Outcome

In this section:

- Safe and Accessible Waterways
- Sustainable Fisheries and Aquaculture
- Healthy and Productive Aquatic Ecosystems

Safe and Accessible Waterways

The strategic outcome *Safe and Accessible Waterways* is about providing access to Canadian waterways and ensuring the overall safety and integrity of Canada's marine infrastructure for the benefit of all Canadians.

This strategic outcome is delivered through three program activities:

- Canadian Coast Guard;
- Small Craft Harbours; and
- Science.

Departmental activities and presence on Canadian waters help to ensure the safe movement of people and goods. As a sustainable development department, DFO integrates environmental, economic and social perspectives to ensure Canada's oceans and freshwater resources benefit this generation and those to come.

The Canadian Coast Guard (CCG) provides diverse maritime services designed to maximize contributions to the strategic outcome *Safe and Accessible Waterways*. In doing so, CCG has a number of arrangements with other government departments, as well as other countries in contiguous waters, that help ensure that Canadian waterways are safe, secure and open to commercial and recreational use.

Steveston Harbour, in Richmond, British Columbia, is the largest commercial fishing harbour in Canada

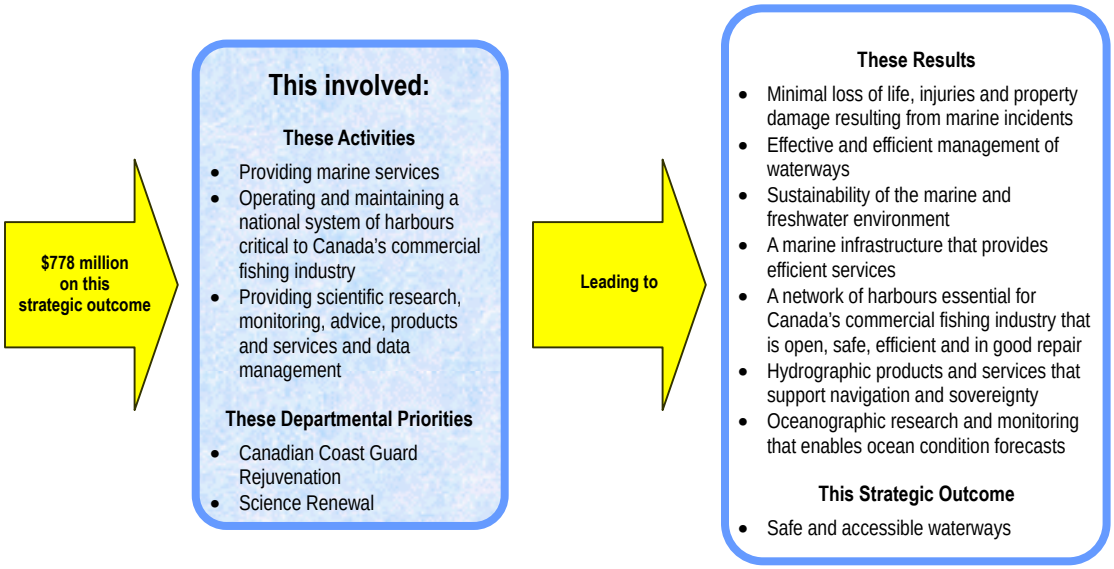
Working closely with the CCG, the Department's Small Craft Harbours (SCH) Program and Canadian Hydrographic Service (CHS) also make a significant contribution to ensuring safe and accessible waterways.

Small Craft Harbours contributes to the *Safe and Accessible Waterways* strategic outcome by operating and maintaining a national system of harbours to provide commercial fishers and recreational boaters with safe and accessible facilities. SCH is mandated to keep harbours critical to the fishing industry open and in good repair. The three main strategies used to achieve this mandate are: to maintain a network of core harbours; to promote the formation of Harbour Authorities to ensure local control over management of commercial fishing harbours; and to dispose of non-essential harbours by transferring all recreational harbours to local communities and reducing the number of derelict and low-activity fishing harbours.

SCH is currently responsible for maintaining 999 fishing harbours and the 200 remaining recreational harbours. Together these harbours include almost 8,700 structures valued at approximately $2.4 billion. All recreational harbours are targeted for divestiture, as are low-activity and derelict fishing harbours. To date, 645 recreational harbours and 295 fishing harbours have been divested. An additional 200 recreational disposals are in progress.

The CHS is responsible for charting Canada's 243,792 kilometres of coastline, 6.55 million square kilometres of continental shelf and territorial waters 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, including charts, sailing directions, tide tables and current atlases.

Results Chain



What Did DFO Spend?

Approximately 52% of the Department's total expenditures for 2005-2006 — or $778 million — was used to ensure safe and accessible waterways.

Financial and Human Resources, Safe and Accessible Waterways, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Safe and Accessible Waterways	620.5	671.4	640.7
Program Enablers[1]	128.0	145.4	137.0
Total	**748.5**	**816.8**	**777.7**
Human Resources (number of full-time equivalents (FTEs))	***Planned***	***Actual***	***Difference***
Safe and Accessible Waterways	4,929	5,071	-142
Program Enablers[1]	885	862	23
Total	**5,814**	**5,933**	**-119**

Note: Because of rounding, figures may not add to the totals shown.

[1] Financial and human resources for Program Enablers have been prorated across program activities. Section 4 provides further information on Program Enablers.

Program Activity: Canadian Coast Guard

Description: Providing marine services that contribute to the enhancement and maintenance of maritime safety and commerce, protection of the marine and freshwater environment, as well as oceans and fisheries resource management, scientific research, security, and other government marine priorities. The Canadian Coast Guard delivers these services by providing marine expertise, managing Canada's civilian fleet and a broadly distributed shore infrastructure, and through collaboration with various stakeholders.

Program Sub-activities: The Canadian Coast Guard program activity is delivered via seven program sub-activities:

- Aids and Waterways Services;
- Marine Communications and Traffic Services;
- Icebreaking Services;
- Search and Rescue Services;
- Environmental Response Services;
- Coast Guard College; and
- Coast Guard Fleet Services.

Expected Results: Minimal loss of life, injuries and property damage resulting from marine incidents. ■ Effective and efficient management of waterways that support marine commerce. ■ Sustainability of the marine and freshwater environment through timely and effective response. ■ A marine infrastructure that provides efficient services to all clients.

Results Achieved: The Canadian Coast Guard used 136 vessels, maintained and enhanced a variety of water and shore-based assets, and employed 4,466 people in 2005-2006 to provide its services to Canadians. Among its variety of services, CCG saved 1,300 persons at risk or in distress situations. The number of vessel collisions, strikings, and groundings has been steadily decreasing. In 2005, the number of incidents was 182, representing a 10% decrease from 2004 thanks to improved vessel traffic management and advances in navigation technology, as well as efforts by other stakeholders involved in marine transportation. In 2005, 11 vessels were damaged by ice, representing a 35% decrease from 2004.

CCG continued to facilitate commercial activity by providing efficient and accessible waterways. CCG monitored and maintained waterways, provided information on navigation conditions, and regulated

vessel traffic. CCG also provided icebreaking services, including escorting 312 vessels in ice-covered waters, inspecting channel conditions, and monitoring the reliability of 18,640 aids to navigation (6,100 fixed and 12,540 floating). In 2005, the reliability of Canada's floating and fixed aids to navigation was 99.5%.

CCG continued to protect the marine environment and act as the lead response agency in case of ship-source spills. CCG responded to 1,267 marine pollution incidents in 2005-2006, 465 as Federal Monitoring Officer, 678 as On-scene Commander, and 124 as a Resource Agency.

In 2005-2006, CCG continued to enhance its approach to risk management. Advanced risk-management techniques have been applied to efforts such as Marine Communications and Traffic Services Communications Replacement, Marine Aids Modernization, and search and rescue needs analysis. Work to further entrench consistent risk management guidelines and practices at key levels of Coast Guard planning and management continues.

Through the Expenditure Review, the Canadian Coast Guard identified a total of $3.7 million in savings in 2005-2006. A total of $67 million in savings has been identified for the next five years (ending 2009-2010).

Aids and Waterways Services identified a total of $2.5 million in savings through the Marine Aids Modernization initiative in 2005-2006 and a total of $48.5 million by the end of 2009-2010. Despite this, CCG continued to seek to provide the right combination of conventional (e.g., buoys) and electronic (e.g., Global Position Systems and Radar) aids for navigation.

HMCS Montreal with CCGS Henry Larsen, an Arctic icebreaker

The second service area affected by Expenditure Review was within Icebreaking Services. With a total saving of $1 million, Icebreaking Services continued to provide the same levels of services to Canadians. The goal of these savings was to amalgamate flight support for Transport Canada's pollution surveillance with the Department of Fisheries and Oceans Aircraft Ice Reconnaissance Program. The winter season of 2005 was the first season where the aerial reconnaissance needs of CCG's Icebreaking Services and those of Transport Canada's National Aerial Surveillance Program were combined in one aircraft. While a few operational issues arose during this time, the integration was considered a success by both parties. In total, Icebreaking Services has identified $5 million in savings by the end of 2009-2010.

The summer surveillance program in the Arctic, however, was very nearly a different story. The future of this summer program was in jeopardy because of resource constraints. An innovative and highly collaborative approach among Transport Canada, the Canadian Ice Service and CCG leveraged current resources by training ice service specialists as pollution prevention officers and pollution

observers. These efforts have resulted in the resumption of a funded, seasonal Arctic surveillance program.

Expenditure Review also had a financial impact on the Fleet, with the number of helicopters dropping by 5, from 27 to 22. This decreased overhead costs by $200,000 in 2005-2006. This change did not affect the services delivered, as the remaining 22 helicopters flew the same number of hours as the original 27.

Financial and Human Resources, Canadian Coast Guard, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Canadian Coast Guard	497.9	543.1	507.4
Program Enablers	101.4	111.7	103.9
Total	**599.3**	**654.8**	**611.3**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Canadian Coast Guard	4,508	4661	-153
Program Enablers	703	684	19
Total	**5,211**	**5345**	**-134**

Program Sub-activity: Aids and Waterways Services

Description: Delivering Aids to Navigation, Waterways Management, and Marine Safety Information services to support marine safety, accessibility of waterways, and environmental protection.

Expected Results: Safe and effective vessel transits and movements and access to ports.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Proceed with the Marine Aids Modernization (MAM) project to ensure that DFO has the right, modern mix of electronic and conventional aids to navigation. This will include reviewing levels of service standards through consultations with users and continuing to implement efficient equipment and alternative service delivery mechanisms.	CCG continued to modernize its aids to navigation. In 2005-2006, MAM activities that took advantage of advanced marine technology such as the increased use of the Global Positioning System/Differential Global Positioning System were completed. A total of 27% of all conventional aids to navigation are now operated under Alternative Service Delivery arrangements. CCG continues to evaluate Alternative Service Delivery opportunities by outsourcing to local industries the commissioning, de-commissioning and maintenance of aids to navigation when it reduces cost or improves service quality.
Invest in refurbishment of the Coast Guard's asset base through the Long Term Capital Plan.	A total of $15 million was spent refurbishing aids to navigation under the following initiatives: ▪ Floating Aids to Navigation Refurbishment; ▪ Fixed Aids to Navigation Refurbishment; and ▪ Fixed Aids to Navigation Major Structures Refurbishment. In general, the Long Term Capital Plan allows Coast Guard Maritime Services to plan in relation to ongoing projects to maintain the CCG asset base.

DFO ON THE JOB ...

Using the Latest Internet Technology to Ensure Safe Navigation in Restricted Waterways

The Waterways Development Division of the Canadian Coast Guard is responsible for ensuring that the shipping community is fully informed about all conditions and restrictions in navigation channels that may affect safe and efficient navigation in Canada's commercial waterways.

The Fraser River, just south of Vancouver, British Columbia, is one of Canada's busiest commercial waterways. Every year, there are more than 1,200 deep draught transits of the river, and thousands of coastal vessels travel to and from its 2 major ports and other industrial docks. Deep sea vessels are continually testing the limits of the river's available depth, seeking to maximize their loading capacity and scheduling their inbound and outbound transit times to the high tides. To help shippers and navigators plan and conduct safe passage through a river whose bottom conditions and currents are constantly changing, Waterways Development created *Avadepth*.

Avadepth is an acronym for *ava*ilable *depth*s. It was first developed in 1986 by CCG to help Fraser River pilots determine the maximum available draught and best sailing times. In 1997, Avadepth was made available to the public on the Internet; as Internet technology improved, so did the Avadepth service. Avadepth now incorporates the latest Web technologies for user functionality and interactivity. It allows users to quickly and reliably calculate transit windows for minimum and maximum draughts, view current and historical bottom soundings in an easy-to-read graphical format, assess predicted water levels throughout the river and view current detailed data on channel conditions in shallow areas in the channels. Survey data are presented in drawings identifying shoals and high spots protruding above the channel's design grade, and graphs illustrate the water-depth availability and corresponding safe transit window. This type of user-friendly flexibility is essential to users who must respond quickly to rapid changes in river conditions resulting from heavy rains and spring run-off.

On the technical side, Avadepth is based on a computerized model that calculates predicted water depths and current velocities at key points along the river based on tide predictions, forecasts of water levels and flows in the river, and the latest channel sounding data. Daily water depths are displayed as time-series graphs for selected periods. Clients can view predicted water levels and currents for every kilometer of the river during their transit. In addition to being posted on the Internet, information from Avadepth is sent directly to users who have asked to be informed regularly about channel conditions.

Because of Avadepth, it is no longer necessary to place draught restrictions on the Fraser River. Now, each ship can be guided by a river pilot using up-to-date information on conditions in the river. Users have commented favourably on how Avadepth has allowed them to interactively and quickly plan safe and efficient transits simply by entering their draught requirements.

As an added benefit, Avadepth has allowed Waterways Development to improve its level of service while reducing its costs by providing the latest river sounding plans online within 48 hours of the bottom survey. Cost savings result from a reduction in paper and reproduction expenditures.

Program Sub-activity: Marine Communications and Traffic Services

Description: Providing marine distress/safety communications and co-ordination, conducting vessel screenings, regulating vessel traffic movement, and providing information systems and public correspondence on a 24/7 basis.

Expected Results: Reduced number and severity of maritime incidents with human, property and environmental consequences. ■ Safe and efficient movement of shipping.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Install an Automatic Identification System (AIS) service at 80 remote sites and 16 Marine Communications and Traffic Services (MCTS) centres and develop supporting policies and procedures to fully integrate the operational capability into the existing Vessel Traffic Services system.	Work continued on the development of AIS shore infrastructure that is expected to improve the ability to monitor vessel traffic. MCTS is establishing standards to ensure that AIS is integrated into the Vessel Traffic Management and Information System. In 2005-2006, efforts were focused on establishing new technical and operational requirements, and on identifying contractual requirements. Final versions of the AIS Technical Statement of Requirements and Operational Statement of Requirements were completed. A draft Statement of Work and Specification was developed. Coverage requirements are specified by the Department of National Defence (DND.) Both departments worked to finalize a draft Effective Project Approval Document, with a preliminary total estimated cost of $5 million. The following additional Phase II sites were selected by DND in the Central and Arctic Region: ▪ 2 MCTS centres (Prescott and Thunder Bay); plus ▪ 9 remote sites for each centre, for a total of 18 remote sites. The CCG is also implementing a Long Range Identification and Tracking (LRIT) system that will track international vessels beyond AIS coverage. At the international level, CCG is working on LRIT within the Maritime Safety Committee of the International Maritime Organization, a specialized agency of the United Nations that is responsible for measures to improve the safety and security of international shipping and to prevent marine pollution from ships.
Invest in refurbishment of the Coast Guard's asset base.	The MCTS Communications Control System (CCS) is a CCG mission-critical application. Refurbishment involves replacing CCS equipment at 22 MCTS centres and 186 associated remote radio sites, as well as replacing the CCS Simulator at the Canadian Coast Guard College in Sydney, Nova Scotia. In 2005-2006, work continued on the preparation of preliminary and effective project approval submissions. Results of these efforts included the completion of the Specifications of Operational Requirements and the preparation of Technical Specifications. A total of 11 MCTS towers were refurbished in 2005-2006, and projects for an additional 14 towers started.

Program Sub-activity: Icebreaking Services

Description: Providing icebreaking and related services (ice reconnaissance, harbour breakouts, information provision, routing assistance, etc.) to facilitate safe and expeditious movement of maritime traffic through and around ice-covered Canadian waters.

Expected Results: Safe and effective vessel transits and movements through ice-covered waters. ■ Reduced flooding, less property damage and less shore erosion caused by ice jams. ■ Enhanced Arctic sovereignty.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Initiate a renewal of the agreement between Environment Canada and the Canadian Coast Guard on ice information. This will be achieved by doing the following: ▪ Examining ways to integrate Aerial Ice Reconnaissance with Transport Canada's Pollution Surveillance or other services; ▪ Acquiring additional imagery from ENVISAT (the European Space Agency satellite) to ensure a source for ice imagery if RADARSAT fails before its replacement is launched; and ▪ Undertaking a review of levels of service to search for further efficiencies and respond to the changing needs of mariners.	The Ice Information Services Partnership Agreement between the CCG Icebreaking Program and the Canadian Ice Service (CIS) of Environment Canada was signed on December 20, 2005. This agreement outlines the relationship, services and performance measurement framework for the provision of ice information between the two organizations. ▪ The aerial ice reconnaissance needs of CCG and CIS were successfully integrated with those of Transport Canada pollution surveillance in 2005. Operational work on the integration continues. ▪ An agreement was signed in 2005 between the European Space Agency and the CIS guaranteeing access to ENVISAT imagery in the case of RADARSAT failure. ▪ A review of the Ice Information Levels of Service is ongoing.

Program Sub-activity: Search and Rescue Services

Description: Delivering search and rescue preparedness and response services to save and protect lives in Canada's maritime environment.

Expected Results: Minimized loss of life and injuries to people at risk in marine incidents.

CCGC Spindrift
(search and rescue lifeboat)

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Evaluate the search and rescue (SAR) program.	In October 2005, SAR began a needs analysis process. A series of analytical steps were identified, and roughly one third of these were completed last year.
Continue to work with partners in the delivery of the marine component of the national SAR program, to monitor and enhance service delivery, to search for internal efficiencies and to invest in new technology where appropriate.	Monitoring of the SAR activity takes place on a regular basis. Program enhancements are implemented from recommendations arising from operational audits, reviews, after-action reports, as well as other exercises aimed at continuous program improvement. For instance, CCG initiated a governance review of the CCG Rescue Auxiliary with recommendations designed to enhance SAR delivery through this voluntary body. CCG also began a number of operational audits of the SAR program in 2005-2006. The Agency worked with the Department of National Defence to produce and distribute findings among their stakeholders of the final report of the March 2005 operational audit for the Joint Rescue Co-ordination Centre (JRCC) in Victoria. Operational audits were also started for the JRCC Halifax, Nova Scotia, and the Marine Rescue Sub-centre in St. John's, Newfoundland. The outcome of these efforts has resulted in nationally consistent standards and operations among partners in two main areas: the management of individual SAR cases and the efficient and effective operation of the rescue centres. CCG conducted 4 projects in 2005-2006 providing new technology such as Personal Emergency Locator Devices and Coherent UHF Radar for Small Target (Life raft) Detection. This new technology should help reduce search time, improve emergency communications and position information, and generally improve the efficiency and effectiveness of the SAR program.

Program Sub-activity: Environmental Response Services

Description: Delivering environmental incident preparedness and response services that protect the marine environment under Canadian jurisdiction. ■ Providing response assistance to other countries under international agreements.

Expected Results: Minimized adverse impacts of marine pollution incidents.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Refocus CCG's role as a response organization. This will ensure that the Canadian Coast Guard remains the lead federal response agency for managing responses to marine pollution incidents. It will involve continuing to work with other government departments and international agencies to better define the range of issues and responsibilities associated with response activities.	During 2005-2006, CCG continued to solidify its role as the lead federal response agency for ship-source spills. Progress was made domestically and internationally as CCG collaborated with other agencies and departments, as well as other governments, to improve the management, control of and response to marine environmental pollution. CCG continues to maintain preparedness capacity, to monitor and investigate all reports of marine pollution incidents, and to ensure an appropriate response to all ship-source pollution incidents in waters under Canadian jurisdiction. Of the 1267 incidents reported in 2005-2006, CCG assumed the responsibility of the Federal Monitoring Officer 465 times, On-scene Commander 678 times and Resource Agency 124 times.

Program Sub-activity: Coast Guard College

Description: Providing maritime training and education to the Canadian Coast Guard.

Expected Results: Well-trained officers possessing the competencies necessary to provide marine safety services.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
While the 2005-2006 *Report on Plan and Priorities* identifies no specific plans for the Canadian Coast Guard College (CCGC), key priorities have been put in place to enable it to enhance its role in the new CCG Special Operating Agency. The CCGC aims to achieve such integration and reach financial sustainability and operational efficiency by adopting an appropriate management framework. At the time of this report, the CCGC's core function is to provide officers and technical experts to the CCG fleet by delivering high-quality maritime training and education. In addition, the CCGC focuses on service delivery; and to help respond to the increasing demand, it will increase partnering agreements and work on the recruitment and the retention of highly qualified instructors.	The Canadian Coast Guard College's 4 training departments delivered a total of 23,246 training days. In 2005-2006, the CCGC had 106 cadets undergoing training at various phases of the 4-year program. In June 2005, 38 Officers successfully completed the program and graduated from the College. The College delivered 25 courses in addition to the Officer Cadet Training Program and trained a total of 344 students.

Program Sub-activity: Coast Guard Fleet Services

Description: Co-ordinating and managing the Coast Guard fleet, on shore and at sea, to ensure the delivery of at-sea services to support Canada's core marine services.

Expected Results: Optimum safe, effective, efficient contribution to clients' at-sea objectives.

CCGC Earl Grey
(marine service vessel)

CCGC Cygnus
(offshore patrol vessel)

CCG Waban-aki
(air cushion vehicle)

CCGS Dumit
(navigational aids tender vessel)

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
The Fleet Management Renewal Initiative (FMRI) was created to examine and address improvements in the way the CCG Fleet is operated, managed and funded. The following change initiatives identified by FMRI will be implemented over the planning period: ▪ A national Human Resources Plan for seagoing personnel; ▪ Standardized Regional Fleet Management Organization structures and accountabilities; ▪ Standardized vessel costing of fixed and variable costs; ▪ Re-adjustment of Fleet Operations Budgets between regions; ▪ A National Coordination Centre; and ▪ Standardized reporting to meet headquarters requirements.	The following six initiatives were undertaken to increase the Fleet's effectiveness: ▪ The National Fleet Human Resource Plan was used to determine recruitment for the Officer Cadet Training Plan and to plan the re-introduction of the Ships' Crew Officer Training Plan. The Plan has also been used to predict where the Fleet may experience shortfalls of qualified seagoing personnel. ▪ The standardization of structures and accountabilities began with the completion of work descriptions for the Regional Fleet Management Organization. A preliminary review by the Regions was completed. ▪ The Fleet Standard Costing Model was used to attribute Fleet service costs to clients using the vessels. The costing model was used as the basis of the costed plan for 2006-2007. ▪ CCG started an A-base review to inform spending and to assist in the allocation of new dollars. Terms of Reference were developed for the review, and a national team for the review was selected. ▪ Some progress has been made in the creation of a National Coordination Centre. A facility adequate for the incident management team and safe for the information systems has been secured. Detailed operational requirements were identified and clarified, and the procurement of appropriate equipment began. ▪ A System Review was completed to assess the quality of information contained in various databases. Progress has been made in the alignment of information systems. It also aligns the systems with national data-collection processes and departmental standards for technologies.
Continue the Fleet Recapitalization Initiative to advance the long-term strategies for the Fleet of the Future. This will include securing funding for new acquisitions and life-cycle management.	Phase I of the Fleet Recapitalization Initiative consisted of approving new acquisitions of midshore patrol vessels and offshore fisheries science vessels. Pre-Project Approvals were completed to secure funding.

Other Programs and Services

Integrated Technical Services is a national team of professionals committed to full accountability in the delivery of quality technical solutions. Canadian Coast Guard physical assets are worth approximately $5 billion.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Provide Life Cycle Materiel Management for all physical assets of the CCG and technical solutions for CCG's program delivery needs. The CCG Technical Program will ensure that CCG assets are capable, reliable and available to carry out the CCG vision and mission.	Continued to use a Life Cycle Management System to ensure the availability, reliability and sustainability of CCG's physical assets. Continued to modernize its business practices, making asset management more effective and efficient by implementing the Integrated Technical Support Strategy project.

DFO ON THE JOB …

The Canadian Coast Guard: Always Ready to Answer the Call

While much of what CCG does provides important, relatively routine services to Canadians, it is often tested in its capacity to respond to exceptional, one-off needs. As has been the norm throughout its history, CCG once again proved up to this test in 2005-2006. Here are three of the more high-profile events that demanded high standards of operational readiness and responsiveness:

- In September 2005, CCG sent the *Sir William Alexander* as part of the Canadian contribution to Hurricane Katrina relief efforts. This vessel and her crew helped the US Coast Guard and the National Atmospheric and Oceans Administration re-establish critical weather and navigational buoys damaged or blown out of position by the powerful storm. Back home, potential operational gaps in ongoing CCG service provision caused by the *Sir William Alexander*'s absence were filled through extra commitment and flexibility provided by several CCG regions and their personnel.
- The 2006 Super Bowl took place in Detroit, Michigan, and over 100,000 visitors flooded the Detroit/Windsor area to take part in festivities. CCG was part of the co-ordinated effort to provide security and safety to the region. From January 28 through February 5, the *CCGS Griffon*, with RCMP officers onboard, was stationed in Windsor in anticipation of any on-water activities requiring ice-capable, large-vessel operations. *CCGS Samuel Risley* was tasked with missions contributing to safety and maritime commerce in both the Canadian and US areas in the Detroit/St. Clair corridor.
- In 2005-2006, perhaps the most high-profile search and rescue incident was the sinking of the BC passenger ferry, *Queen of the North*. It was after 2:00 a.m. on March 22 when the CCG Icebreaker *Sir Wilfrid Laurier* arrived as one of the first vessels on the scene to help local fishing vessels from nearby Hartley Bay pull 99 people to safety and ensure that all passengers were accounted for. While two people tragically perished in this incident, many more were saved by co-ordination, co-operation and operational excellence in the field.

Program Activity: Small Craft Harbours

Description: Operating and maintaining a national system of harbours critical to Canada's commercial fishing industry.

Program Sub-activities: The Small Craft Harbours program activity is delivered via three program sub-activities:

- Operations;
- Maintenance; and
- Divestiture.

Expected Results: A network of harbours essential for Canada's commercial fishing industry that is open, safe, efficient and in good repair.

Results Achieved: The Small Craft Harbour's objective of keeping harbours critical to the commercial fishing industry open, safe, efficient and in good repair was achieved through three key strategies:

- Maintaining a network of core fishing harbours (approximately 750): Priority for maintenance funding was given to:
  - Safety-related repairs (or dredging) or repairs to ensure harbour operations at core fishing harbours;
  - Investments or upgrades required for harbour safety or operations at core fishing harbours; and

- Small urgent safety-related repairs or mitigation measures (e.g., barricades) at non-core harbours whose divestiture is pending.

- Promoting and sustaining the use of Harbour Authorities (HAs) for the local management and operation of all core fishing harbours. Partnerships with HAs are particularly essential to advancing the Program's objective. HAs are client-run, volunteer, not-for-profit corporations operating at arm's length from DFO that manage and operate core fishing harbours. Of DFO's core fishing harbours, 91.7% are managed by HAs. They are responsible for setting local priorities and harbour fees and re-investing revenues in harbours. They are also responsible for carrying out day-to-day harbour administration, operations and minor maintenance. DFO is responsible for the major maintenance, repairs and reconstruction of the facilities. DFO continued to provide ongoing technical support, guidance and knowledge transfer through numerous special initiatives aimed at strengthening HAs.
- Divesting recreational and non-core fishing harbours by transferring all recreational harbours to local communities, as well as reducing the number of derelict and low-activity fishing harbours through divestiture to local communities, closure, or, as a last resort, demolition. DFO continues to invest $1.5 million annually in its divesture program. Where possible, sites being divested are transferred to interested communities or organizations following reasonable repairs. A total of 34 harbours were divested in 2005-2006.

Financial and Human Resources, Small Craft Harbours, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Small Craft Harbours	86.1	89.7	95.8
Program Enablers	16.3	17.3	22.5
Total	**102.4**	**107.0**	**118.3**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Small Craft Harbours	127	117	10
Program Enablers	112	109	3
Total	**239**	**226**	**13**

Donald Pealey, wharfinger for the Harbour Authority of Havre de pêche de Grande-Entrée, just checked the winch used to unload catches

Program Sub-activity: Operations

Description: Operating, in partnership with client-run Harbour Authorities, a national system of harbours critical to Canada's commercial fishing industry. ■ Co-ordinating efforts to maintain and recruit Harbour Authorities. ■ Providing support and guidance on harbour management.

Expected Results: Efficient and effective management of essential fishing harbours by Harbour Authorities. ■ Self-sufficient Harbour Authorities that cover all management and operating costs, and, increasingly over time, contribute to minor maintenance costs. ■ Compliance with environmental and health and safety standards.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Strengthen Harbour Authorities' roles and responsibilities by: ▪ Addressing fatigue issues among Harbour Authorities; ▪ Enhancing relationships between DFO and Harbour Authorities; ▪ Increasing the number of existing essential fishing harbours managed by Harbour Authorities; and ▪ Supporting the self-sufficiency of Harbour Authorities.	To strengthen HAs, the Small Craft Harbours (SCH) Program has continued its active involvement with and co-chaired joint meetings of the National Harbour Authority Advisory Committee and SCH.
Promoting and encouraging merger and cost-sharing initiatives by Harbour Authorities.	Studied various management models, with a view to developing a generic successful model and looking at the possible amalgamation or consolidation of harbour services as appropriate.

Program Sub-activity: Maintenance

Description: Providing strategic direction for harbour and facility development, repair and maintenance. ■ Providing the comprehensive program and project planning required to develop and maintain core harbours. ■ Promoting efficient and effective project delivery mechanisms to ensure harbour safety and optimal management of client needs.

Expected Results: Safe, functional harbours that meet client needs. ■ Cost-effective and efficient management of maintenance and repair activities. ■ Environmental compliance.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Re-examine work relationships with service providers to ensure best value for money.	Reviewed fees and other costs associated with project delivery, reviewed industry best practices and proposed solutions that will provide significant, measurable, permanent savings in the cost of delivering the SCH Program.
Identify and implement strategic opportunities to improve project delivery through investigation of alternative delivery mechanisms.	HAs have been strongly encouraged to identify and implement opportunities for alternative delivery mechanisms.
Focus maintenance and investment dollars on program priorities.	1,220 maintenance projects and 145 dredging projects were undertaken in 2005-2006. Funding was based on an allocation formula designed to provide a fair and equitable distribution of funds that also takes into account regional priorities and safety considerations.
Increase the role of Harbour Authorities in project management.	Certain program management responsibilities were devolved, to the extent permitted by existing authorities, to HAs willing to take on such responsibilities.

Program Sub-activity: Divestiture

Description: Divesting harbours not essential for Canada's commercial fishing industry. ■ Monitoring compliance with terms and conditions of divestiture agreements pursuant to divestiture of non-essential harbours. ■ Implementing safety measures and ensuring minimal maintenance at non-essential harbours as required. ■ Undertaking pre-divestiture repairs or providing equivalent grants in support of divestiture.

Expected Results: Divestiture of recreational and low-activity fishing harbours with minimal negative impact on communities. ■ Management of divested recreational and low-activity fishing harbours within the terms and conditions of divestiture agreements. ■ Non-essential harbours pending divestiture that are safe. ■ Active recreational harbours that remain operational.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Allocate $1.5 million annually to pre-divestiture repairs or grants, with priority going to those with the most urgent requirements or best opportunities.	34 harbours were divested and $1.5 million was spent on the most urgent requirements and best opportunities.
Conduct a study to determine the true savings and costs associated with divestiture to seek adequate funding.	A thorough review of the costs associated with divestiture was completed, and possible funding options are being considered.

DFO ON THE JOB ...

Harbour Authorities — Deeply Anchored in Our Community

Since 1990, about 40 Harbour Authorities have been created in the Gaspé Peninsula, on the North Shore and in the Magdalen Islands. This new reality stems from the wishes of the Canadian population to be involved in the management of government programs and the desire of the Canadian Parliament to be closer to its citizens.

A Harbour Authority is a non-profit organization that operates and manages a fishing port according to local needs and government guidelines. Each Authority is made up of volunteers who see to the smooth functioning of harbour facilities and represent the interests of users in dealings with Fisheries and Oceans Canada concerning harbour services and operational priorities.

Members of the Harbour Authorities' boards of directors use their knowledge to serve coastal communities. They play an integral role in regional economies closely tied to the sea. In these communities, thousands of jobs depend on the commercial fishery. Consequently, fishers can count on Harbour Authorities to provide safe and efficient facilities to unload their catches. Harbour Authority staff members deal with the day-to-day management and maintenance of their facilities, as well as minor repairs required to them.

Harbour Authorities operate independently and manage their own budgets. They establish user fees in accordance with the costs of minor and essential maintenance. Those fees are reinvested in the management and maintenance of the participating harbour and in the development of the local economy. Fisheries and Oceans Canada, who remains the owner of the harbours, takes care of any major work required.

Communication, which is very good between the Harbour Authorities, is essential for sharing knowledge and experiences and for developing better synergy between users and Harbour Authorities.

In Quebec, the Regional Harbour Authority Advisory Committee was launched in 2001 to counsel and advise Fisheries and Oceans Canada. Three of its members represent the interests of Quebec users on the National Harbour Authority Advisory Committee.

Perhaps other organizations in rural communities could follow the example of the Harbour Authorities' volunteer members. They encourage co-operation and communication, thus fostering the successful completion of joint ventures while creating positive spin-offs for society.

Program Activity: Science

Description: Providing scientific research, monitoring, advice, products and services and data management.

Program Sub-activities: Science in support of safe and accessible waterways is delivered by means of three program sub-activities:

- Providing products and services for navigation;
- Claiming the continental shelf under the United Nations Convention on the Law of the Sea; and
- Assessing the impact of climate variability on navigation.

Expected Results: Hydrographic products and services that support navigation and sovereignty. ■ Oceanographic research and monitoring that enables ocean condition forecasts, including the potential impact of climate change on navigation.

Results Achieved: As commercial and recreational traffic on waterways has increased, so has the demand for up-to-date hydrographic information on both charted and uncharted waters. Keeping existing hydrographic charts up-to-date while also creating new ones remains a challenge for the Canadian Hydrographic Service (CHS). In 2005-2006, CHS continued to apply a risk-based approach and the level of service initiative to the management of the hydrographic portfolio of navigational products. This approach ensured that areas of highest risk to safe navigation were addressed first and that they are reviewed on a five-year cycle while those posing the lowest risk receive less attention.

Jason Bartlett, left, of the Canadian Hydrographic Service and Gary Stern, a DFO research scientist, aboard the Coast Guard ship Amundsen

The ratification of the United Nations Convention on the Law of the Sea on November 7, 2003, requires Canada to submit evidence within 10 years to the United Nations Commission for the Limits of the Continental Shelf in support of its territorial claim to the continental shelf beyond the current 200-mile limit. CHS is responsible for undertaking hydrographic surveys as part of Canada's evidence submission. Bathymetric surveys in the Atlantic Ocean scheduled for 2005 were deferred to the 2006-2007 fiscal year because of difficulties in contracting a suitable survey vessel for the required period. The required survey work proceeded in 2006.

Financial and Human Resources, Science, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Science	36.5	38.6	37.5
Program Enablers	10.3	16.4	10.6
Total	**46.8**	**55.0**	**48.1**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Science	294	293	1
Program Enablers	70	68	2
Total	**364**	**361**	**3**

Program Sub-activity: Providing Products and Services for Navigation

Description: Surveying, measuring, describing, and charting the physical features of Canada's oceans, seas, rivers and lakes.

Expected Results: Safe and efficient navigation of Canadian waters through the provision of up-to-date, timely, and accurate hydrographic products and services.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue to implement a risk-based approach to the management of the Canadian Hydrographic Service's (CHS) hydrographic portfolio and requirements for survey work.	Risk classification and level-of-service targets are now the basis for managing the hydrographic portfolio. Charting activity in priority charting areas was increased. Paper charts in northern areas, including Labrador, the Northwest Passage, Eastern Hudson Bay, and Western Hudson Bay, were converted to Electronic Navigational Charts in anticipation of increased vessel traffic.

Program Sub-activity: Claiming the Continental Shelf under the United Nations Convention on the Law of the Sea; Assessing the Impact of Climate Variability on Navigation

Description: Providing hydrographic data and information to support territorial claims and international disputes associated with limits and boundaries. ■ Conducting oceanographic research and monitoring that enables the forecasting of ocean conditions and provides insight into the impacts of climate change on navigation.

Expected Results: Safe and accessible waterways.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Support Canada's territorial claim to the seabed beyond the current 200-mile exclusive economic zone (in collaboration with Natural Resources Canada and the Department of National Defence). This will involve initiating hydrographic survey and seismic data collection in the Arctic, Atlantic and Pacific oceans. Work in the Atlantic Ocean is scheduled to commence in 2005, and Arctic Ocean work will be under way in 2006.	Although survey work in the Atlantic Ocean was scheduled to start in 2005, constraints in contracting a suitable survey vessel required deferral of the work until 2006. Survey work is now under way off the Grand Banks of Newfoundland. A Canada-Denmark memorandum of understanding was signed in June 2005 and work started in the Arctic Ocean in March 2006 with a joint Canada-Denmark seismic refraction survey of the Lomonosov Ridge to determine if the ridge is a prolongation of the continental shelf.
Continue to refine and improve ocean-circulation models used by the Canadian Coast Guard in search and rescue operations and by the Canadian Ice Service in the forecasting of icebergs and ice concentration.	Significant improvements have been made in ocean-circulation models and in their application for use by CCG and the Canadian Ice Service. An ocean-ice-atmospheric program is being examined in partnership with Environment Canada. The first Arctic simulation using this program was performed in early 2006 and clearly demonstrated the feasibility of the proposed system now under development.
Review DFO's tsunami warning program to identify priority knowledge and any network gaps based on the identification of risk.	The Department has worked with other federal government departments, relevant provinces and international organizations to identify gaps in the Canadian tsunami warning networks and knowledge requirements and to develop plans for implementing research and operational programs to address identified gaps.

DFO ON THE JOB ...

Charting the World's Longest Coastline

Pleasure boaters, commercial fishermen, seafarers on Canadian ships and others from around the world all depend on a facility near downtown Ottawa. From this chart distribution centre, the Canadian Hydrographic Service (CHS) supplies nearly a thousand different navigational charts covering the world's longest coastline, almost a quarter-million kilometres, in all its sinuosity and with all the details of depths, buoys, lighthouses, and hazards to navigation. CHS charts also cover the Great Lakes and other major lakes and rivers.

At the Ottawa distribution centre, Jeannine Houle and Monique Smith, and their regional counterparts, field requests by phone, e-mail, and fax from nearly 800 chart dealers in Canada, the United States, and as far away as Japan. A total of nearly 300,000 charts, tide tables, and other nautical publications are distributed every year.

Electronic plotters at the Ottawa centre can print scores of different charts on request. Last year, more than 55,000 print-on-demand (POD) orders were filled. Although most charts are still produced on regular lithographic presses, CHS is looking to use POD even more, perhaps including charts printed at the dealership.

Besides the regular paper chart, usually priced at $20, CHS produces jacketed cruising atlases that include several charts covering neighbouring areas. New waterproof charts for some areas have become a big seller among boaters.

Mariners are also making more use of electronic navigation charts on CD-ROMs. The vessel operator slips the disk into a computer and navigates on-screen. Canada has one of the largest electronic navigation chart portfolios in the world.

Electronic charts can provide even more information than paper ones, giving, for example, the height, length, age, and ownership of a wharf at the click of a computer mouse. The electronic data are available in two forms: the full navigational chart with all the details, and a simpler raster version popular on pleasure craft.

Where does all the nautical information come from, covering every cape, head, cove, bay, sound, and harbour? With about 295 employees, CHS remains a fairly small organization within DFO. CHS staff in four regions – Atlantic, Quebec, Central and Arctic, and Pacific – gather the data for charts and other publications.

Field surveys take place regularly, especially for higher risk, higher priority areas. Shore parties do some of the surveying, DFO research vessels the rest, including specialized hydrographic craft such as the Quebec-based F.C.G. Smith.

Data also come from military and other sources, including soundings from the British Admiralty that first surveyed Canadian waters. Tools of the trade have changed, with modern multi-beam sounders, the satellite-based Global Positioning System, and other devices. But old methods using leadlines and triangulation can still come in handy.

The data feed into four regional CHS offices and a huge complex at 615 Booth Street in Ottawa, shared by CHS and other agencies, that produces all the charts and maps for Canada's government and armed forces. CHS personnel here carry out systematic checks for quality and accuracy, supplementing earlier checks in the regions. Then the chart, typically 36 inches by 40 inches, is made final, for printing-on-demand or for lithographic production by 615 Booth's specialized presses.

Other CHS publications include Sailing Directions, 25 different volumes for the different areas of Canada. Charts depict the surface and bottom, but, says Rick Mehlman, Supervisor of Chart Support and Maintenance, "Sailing Directions tell you what the chart can't show – for example, that a tall church spire dominates a bay, reflects the sun, and can be seen from seven miles offshore."

CHS also prepares and prints tide tables, another major operation. In such areas as the Bay of Fundy, with the world's highest tides, the tidebook is essential. Other publications include the Canadian Tidal Manual, Small Craft Guides, instructional charts, bathymetric (seafloor) maps, Radio Aids to Marine Navigation, the List of Lights, Buoys, and Fog Signals, and the essential Notices to Mariners. Issued in collaboration with CCG, the latter publication includes chart corrections, also available through the Internet (at www.notmar.gc.ca).

As the CHS motto states, "Nautical Charts Protect Lives, Property and the Marine Environment." Charts are the captain's silent partner. Canada's reliable, comprehensive, high-quality charts are there because CHS is there, working with quiet competence to keep mariners safe.

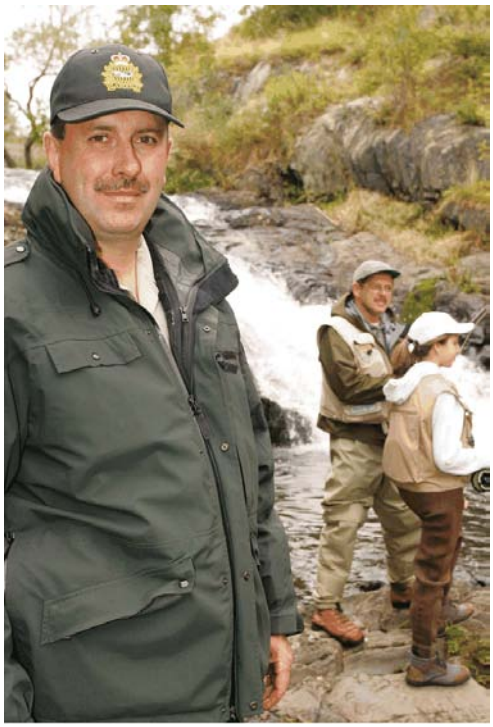
Sustainable Fisheries and Aquaculture

The strategic outcome *Sustainable Fisheries and Aquaculture* is about delivering an integrated fisheries and aquaculture program that is credible, science based, affordable, and effective, and contributes to sustainable wealth for Canadians.

This strategic outcome is delivered through three program activities:

- Fisheries Management;
- Aquaculture; and
- Science.

As a sustainable development department, DFO works to protect and conserve Canada's aquatic resources, while supporting the development and use of these resources. To do this, the Department depends on sound scientific research and advice and on developing a modernized fisheries management regime that is integrated with the broader oceans management agenda. The pursuit of strong conservation outcomes through the implementation of a comprehensive risk management framework, as well as the precautionary and ecosystem approaches, allows DFO and resource users to better understand the impacts of fishing on fish stocks and fish habitat.



Newfoundland and Labrador Region
Fishery Officer Joe McCarthy on an inland salmon angling patrol

DFO continues to pursue a renewal agenda that addresses many of the chronic challenges faced by the fishing sector — adapting to an increasingly fast pace of industrial change, technological advances, environmental degradation, climate change, and global market pressures — in addition to the particular challenges resulting from dependence on the use of a common-property natural resource. At the same time, DFO remains focused on modernizing the decision-making system and building a new relationship with resource users based on shared stewardship. Efforts have been guided by the principles of predictability, stability and transparency. Steady improvement has been made, particularly in stabilizing sharing arrangements and developing a modern management approach, but much remains to be done. We need to continue to clarify and adapt policies and programs to promote flexible fishing enterprises able to adjust to resource, environmental, market and other fluctuations.

DFO's vision for aquaculture development in Canada is to benefit Canadians through the harvesting of aquatic organisms while upholding the ecological and socio-economic values associated with Canada's oceans and inland waters. The development of aquaculture in Canada requires a streamlined regulatory environment, harmonized standards and practices, and enhanced public confidence.

The Science Program provides scientific research, monitoring, advice, products and services, and data management to support the sustainable harvest of wild and cultured fish and other aquatic resources and to contribute to sustainable wealth.

Results Chain

What Did DFO Spend?

Approximately 37% of the Department's total expenditures for 2005-2006 — or $555 million — was used to ensure sustainable fisheries and aquaculture.

Financial and Human Resources, Sustainable Fisheries and Aquaculture, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Sustainable Fisheries and Aquaculture	455.0	500.2	452.3
Program Enablers[1]	94.3	98.4	102.2
Total	**549.3**	**598.6**	**554.5**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Sustainable Fisheries and Aquaculture	2,495	2,488	7
Program Enablers[1]	650	633	17
Total	**3,145**	**3,121**	**24**

Note: Because of rounding, figures may not add to the totals shown.

[1] Financial and human resources for Program Enablers have been prorated across program activities. Section 4 provides further information on Program Enablers.

Program Activity: Fisheries Management

Description: Conserving Canada's fisheries resources to ensure their sustainable utilization.

Program Sub-activities: The Fisheries Management program activity is delivered via five program sub-activities:

- Resource management;
- Aboriginal policy and governance;
- Salmonid Enhancement Program;
- International fisheries conservation; and
- Conservation and protection.

Expected Results: Conservation of stocks and habitat and sustainable resource use for present and future generations.

Results Achieved are presented under the appropriate Program Sub-activity.

Financial and Human Resources, Fisheries Management, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Fisheries Management	313.8	338.7	305.3
Program Enablers	55.2	54.9	59.5
Total	**369.0**	**393.6**	**364.8**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Fisheries Management	1,519	1,477	42
Program Enablers	381	371	10
Total	**1,900**	**1,848**	**52**

Program Sub-activity: Resource Management

Description: Delivering policies, programs and plans that protect fish stocks and marine mammals to ensure future abundance and provide for fair and transparent decision making regarding access to and allocation of harvestable fisheries resources.

Expected Results: Conservation and sustainable use of fisheries resources with fair, stable and transparent decision making concerning the distribution of harvestable surpluses among resource users.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Prepare and implement Integrated Fisheries Management Plans (IFMPs) for all key fisheries.	The focus in 2005-2006 was on moving ahead on shared stewardship: sharing decision-making, responsibility and accountability with resource users. Shared stewardship will, over time, become the major tool for implementing a new direction in fisheries management by extending the existing process linked to IFMPs and co-management. It is also key to the implementation of the precautionary approach. DFO also moved ahead on implementing an effective risk management framework based on the precautionary and ecosystem approaches, which will be reflected in IFMPs.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Modernize fisheries management by clarifying policy direction and programming to provide the foundation for necessary governance and structural changes. This will include creating incentives for responsible resource use and support for self-reliant and sustainable fisheries.	In March 2006, the sharing arrangements in 93 Atlantic commercial fisheries were stabilized for another year and two further stabilization arrangements were announced. This frees fisheries managers from the often contentious issue of quota sharing among fleet sectors. DFO continued to move forward on improving the conservation and sustainability of Canada's fisheries resources through an established consultative process. The Atlantic Salmon Endowment Fund was announced in the February 2005 Budget as a one-time federal conditional grant of $30 million to help achieve healthy and sustainable Atlantic salmon stocks in Atlantic Canada and Quebec. Consultations on the establishment of the Fund occurred in 2005-2006. The Atlantic Salmon Conservation Foundation has come forward with a proposal to operate the Fund, and a proposed Funding Agreement has been drafted for approval by Treasury Board and the Department of Finance to effect payment of the grant.

Program Sub-activity: Aboriginal Policy and Governance

Description: Providing policy advice on Aboriginal fishing issues, negotiating agreements on the management of Aboriginal fisheries, helping integrate agreements into overall management frameworks, advising federal negotiators on land claims and self-government, and promoting fisheries-related economic opportunities for Aboriginal communities.

Expected Results: Promotion and fostering of Aboriginal and Treaty rights in the formulation and implementation of fisheries management policies, programs and plans to deliver on fiduciary responsibilities and promote fisheries-related economic opportunities for Aboriginal communities.

Inuit elders at a meeting in Iqaluit, Nunavut

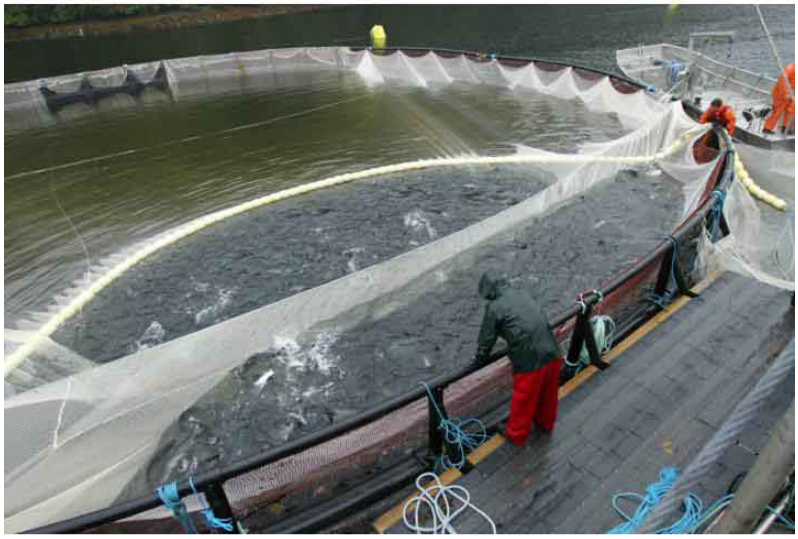
Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Negotiate and implement fisheries agreements with First Nations and Aboriginal communities and promote economic opportunities for communities.	Eighty-nine Aboriginal Fisheries Strategy (AFS) agreements are in place with 250 Aboriginal groups. The Aboriginal Aquatic Resources and Oceans Management (AAROM) Program supported 18 capacity-building agreements and 17 collaborative management agreements. These agreements increased economic opportunities from fisheries and oceans management activities and provided greater Aboriginal involvement in fishery advisory and other decision-making processes. DFO also promoted economic opportunities by facilitating greater access to commercial fisheries through the Marshall Response Initiative (which included agreements with 31 of 34 eligible First Nations in Atlantic Canada), and through the Allocation Transfer Program under the AFS and AAROM programs.
Provide policy advice and support in regard to maintaining and enhancing relations with Aboriginal communities and First Nations.	DFO reinstituted the Aboriginal Caucus process, providing a forum for all sectors of the Department to raise and discuss matters relating to Aboriginal groups. As part of the discussions concerning possible amendments to the *Fisheries Act*, the Sector chaired meetings with the national Aboriginal organizations to examine the broad principles that would be part of amended legislation. Advice and support were also provided in relation to a number of areas, including Aboriginal consultations on aquaculture; the development of guidelines in response to the decisions in the Taku and Haida court cases; and the implementation of the *Species at Risk Act*.
Modernize fisheries management by clarifying policy direction and programming to provide the foundation for necessary governance and structural changes. This will include creating incentives for responsible resource use and support for self-reliant and sustainable fisheries.	Participated in the development of a revised legislative regime through the provision of advice and recommendations relating to possible amendments to the *Fisheries Act*. Developed proposals seeking direction for the reform of Pacific Aboriginal fisheries and, on the East Coast, seeking direction in regard to sustaining the economic achievements realized by First Nations under the Marshall Response Initiative.

Program Sub-activity: Salmonid Enhancement Program

Description: Enhancing and rebuilding salmon stocks and restoring and improving fish habitat in British Columbia and the Yukon Territory. The focus is on fish production to preserve vulnerable stocks and sustain fisheries, increase public awareness and build community involvement capacity.

Expected Results: Strategic enhancement of wild stocks and fish habitat.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue fish production at hatcheries to support conservation and biodiversity.	DFO operated 21 hatcheries, managed spawning channels and contracted with 21 community and First Nations partners to operate community-based enhancement platforms. DFO supported over 300 volunteer projects. A total of 357 million juvenile salmon were released from enhancement facilities.
Continue fish habitat restoration projects and initiatives.	The Department collaborated on 60 restoration projects with community partners.
Continue community outreach, partnering and education.	DFO implemented the third year of the Stream to Sea Education Strategy. DFO recognized over 10,000 volunteers through recognition events and outreach opportunities. DFO increased collaboration with community organizations and foundations in activities supporting salmon conservation, awareness and stewardship.



Harvesting salmon from net cages

DFO ON THE JOB ...

Salmonid Enhancement Program

In 1977, backed by strong public support, the federal Department of Fisheries and Oceans launched the Salmonid Enhancement Program (SEP). Its goal was to arrest – and reverse – that decline. It did not undertake the task alone. Also involved, with responsibility for steelhead and cutthroat trout, was the B.C. Ministry of Environment. As well, this government program set a new precedent as many B.C. citizens became vital, hands-on partners in the effort. While the Department of Fisheries and Oceans built major facilities – hatcheries and spawning channels – individuals and groups went to work cleaning up damaged streams and building small incubation boxes.

In a further effort to keep SEP in tune with local needs, the Community Economic Development Program was initiated, placing contracts with community-based groups to operate local enhancement projects.

Today, the scope of SEP is varied. Major hatcheries and spawning channels on some of North America's greatest salmonid-producing rivers incubate and release millions of juveniles each year. Slightly smaller, but impressively effective, are the Community Economic Development Program projects. Scientific research contributed another technique; on Vancouver Island, fertilization of lakes has greatly increased production of sockeye.

Students release the fry in local streams

In some areas, SEP has turned to smaller technologies. Semi-natural spawning and rearing channels that require little or no ongoing staff or maintenance are producing fish in remote regions. Fish ladders and fishways provide access for spawners to areas once barren of salmonids. Volunteer projects have grown and matured. Besides leaving a legacy of improved habitat in many urban areas, these projects often produce salmonids from small, genetically unique populations that might otherwise have vanished forever. And many, many neighbourhood creeks receive every spring a few healthy fry that have been lovingly raised — in the classroom — by school children.

Not every project has been successful. Many individual runs are still threatened by too many fishermen and too little habitat. But today, in most rivers and streams, salmonids return every fall as they have done for thousands of years. They continue to provide economic benefits. As they enter our rivers, they make another contribution, for salmonids in the waters are part of the West Coast's heritage — a living link with our history. With its unique partnerships among the federal and provincial governments, communities, groups and individuals, SEP has found a way to strengthen that link and carry it into the 21st century.

Program Sub-activity: International Fisheries Conservation

Description: Conducting the international relations necessary to advance Canada's fisheries conservation interests and maximize allocations to Canadians from internationally managed fish stocks.

Expected Results: Assertion of Canadian interests with respect to internationally managed fish stocks to ensure conservation. ■ Sound international fisheries governance. ■ Protection of Canadian sovereignty.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Negotiate and administer bilateral and multilateral fisheries treaties and governance agreements related to transboundary, highly migratory, straddling, and external fish stocks on the high seas.	DFO organized a major international Fisheries Ministers Conference in St. John's, Newfoundland and Labrador, where Ministers signed a declaration committing them to actions to reduce overfishing. Ministers agreed to co-operate to increase the efficiency of regional fisheries management organizations, to improve fisheries governance and the efficiency of transboundary, highly migratory and straddling stocks organizations.
Develop and implement a governance strategy on long-term foreign overfishing and fishing on the international high seas.	DFO engaged the Northwest Atlantic Fisheries Organization and the International Commission for the Conservation of Atlantic Tunas in a reform process designed to address foreign overfishing.

Program Sub-activity: Conservation and Protection

Description: Ensuring compliance with the legislation, policies and programs that relate to the conservation and protection of Canada's fisheries resources, the protection of species at risk, fish habitat and oceans.

Expected Results: Compliance programs that are consistent with legislation and regulations, as well as departmental policies and plans on domestic and international fisheries, species at risk, fish habitat, and oceans. ■ Greater awareness of conservation goals and objectives among resource users and stakeholders.

Maritimes Region Fishery Officer Carol Jacobi carries out a lobster vessel boarding and inspection near Herring Cove, Nova Scotia

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Achieve a high level of compliance to ensure conservation and protection of fisheries resources (including species at risk), fish habitat and marine protected areas.	DFO carried out core compliance related to foreign, commercial, recreational and Aboriginal fisheries; aquaculture; the Canadian Shellfish Sanitation Program; habitat and oceans management; and marine safety and security. DFO conducted a diversified compliance program consisting of over 10,000 hours promoting compliance through schools and stakeholder meetings; 30,000 hours patrolling and verifying compliance with various legislation, regulations and conditions; 100,000 hours investigating occurrences and taking appropriate actions.
Modernize fisheries management by clarifying policy direction and programming to provide the foundation for necessary governance and structural changes. This will include creating incentives for responsible resource use and support for self-reliant and sustainable fisheries.	A key element of Fisheries Management Renewal is the Compliance Review and Modernization initiative. Phase 1 was completed in 2005-2006 and included: ▪ An environmental scan and regulatory profile for the compliance program; ▪ An inventory and assessment of compliance tools and approaches used nationwide and in various enforcement agencies; ▪ A public opinion poll of fishers to identify key factors influencing compliance, as well as a survey of Fishery Officers; ▪ Initial data gathering of recruitment, training and development programs outside DFO for analysis and recommendations; and ▪ Development of a cost-benefit methodology for application to any new compliance program proposals.

DFO ON THE JOB ...

The True Lie Inquiry — A Major and Dissuasive Intervention

A major investigation initiated in 2003 by Fishery Officers from the Quebec region concluded in 2005-2006 with the conviction of the leading actors in three plots to commit offences under the *Fisheries Act* and its regulations.

The network of about fifteen people included commercial fishers, fish buyers and various other stakeholders responsible for the landing, weighing and transportation of fish. These individuals conspired to falsify data provided during landings of snow crab at the wharf in Matane. The false information transmitted to DFO resulted in major overruns of individual quotas granted to several fishers in the same fleet.

The investigation required the efforts of a major part of the local complement for several months. The Fishery Officers delivered about 30 search warrants and collected nearly 80 statements. The Fishery Officers then analyzed a considerable number of documents to assemble all the evidence to present it to the courts.

To date, those convicted were fined over $100,000. Other legal actions will be initiated in the coming months.

Such coercive interventions are sometimes required to prevent major illegal networks from rippling through the fishing industry. Those widespread investigations have a significant deterrent impact and reinforce compliance with the *Fisheries Act* and its regulations.

Every year, DFO must ensure it offers training and development programs to the Fishery Officers responsible for enforcing the *Fisheries Act* and provides them with the tools required to carry out this important mandate.

Program Activity: Aquaculture

Description: Creating the conditions for a vibrant and innovative aquaculture industry that is environmentally and socially responsible, economically viable and internationally competitive.
■ Establishing a regulatory environment that is clear, predictable and timely and that will enhance public and consumer confidence.

Program Sub-activities: The Aquaculture program activity does not have any program sub-activities.

Expected Results: A streamlined regulatory environment, harmonized standards and practices, and enhanced public confidence to support the development of aquaculture in Canada.

Results Achieved: Given the challenge of supporting this complex file, complete with its shared jurisdictions and horizontality through the federal government, DFO continues work with its partners to implement an aquaculture renewal strategy to create the conditions necessary to enable Canada to achieve its full aquaculture potential in a manner that is environmentally responsible and that generates important socio-economic benefits, particularly for Canada's rural and coastal communities. The approach is intended to result in a more comprehensive understanding of the sector and the identification of realistic future strategic directions for its sustainable development for the Department to achieve its strategic outcome of sustainable fisheries and aquaculture.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Resource and structure the organization to effectively deliver on DFO's aquaculture responsibility.	Beginning in 2005-2006 and continuing into 2006-2007, the Aquaculture Management Directorate is undertaking an in-depth review of its structure and the resources required to effectively and efficiently meet its responsibilities. An Aquaculture Risk Profile has been developed, along with a Risk Management Accountability Framework for aquaculture.
Create an enabling policy and regulatory environment that contributes to the development of a competitive aquaculture industry.	The governance framework for aquaculture is highly complex and in major need of renewal. None of the federal legislation currently used to regulate the aquaculture industry was designed with aquaculture in mind. As a result, an aquaculture renewal process has been initiated in collaboration with provinces, territories and relevant stakeholders.
Develop an integrated national government response to aquaculture.	As part of the aquaculture renewal that was initiated in 2005-2006, work is under way to develop and establish a renewed aquaculture management framework that will establish national-level goals for aquaculture development in Canada: ▪ Clearly delineate federal and provincial responsibilities; ▪ Increase efficiencies by harmonizing regulation regimes, aligning information-gathering requirements and adopting smart regulatory approaches; ▪ Provide a mechanism for accountability to Canadians; and ▪ Address long-standing gaps in strategic support to this sector.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Introduce measures to support the safety of aquaculture products and the environmental sustainability of aquaculture operations.	In 2005-2006, DFO engaged in extensive consultations with Health Canada, the Canadian Food Inspection Agency, Environment Canada, the Canadian public and the international community to develop a domestic strategy for aquaculture to ensure health and environmental concerns are addressed and communicated. DFO has renewed its aquaculture Web site to ensure public access to timely and accurate information. In addition, Aquaculture Science engaged in an extensive State-of-Knowledge initiative to review the science supporting DFO's ability to manage the environmental effects of aquaculture. A number of papers have been published because of this initiative. The knowledge gained will be used in setting our research agenda on aquaculture-environment interactions.

Salmon farm site in New Brunswick

Financial and Human Resources, Aquaculture, 2005-2006

Financial Resources (millions of dollars)	Planned Spending	Total Authorities	Actual Spending
Aquaculture	4.0	4.2	4.0
Program Enablers	1.1	5.3	1.1
Total	**5.1**	**9.5**	**5.1**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Aquaculture	21	26	-5
Program Enablers	7	7	0
Total	**28**	**33**	**-5**

Program Activity: Science

Description: Providing scientific research, monitoring, advice, products and services, and data management.

Program Sub-activities: Science in support of sustainable fisheries and aquaculture is delivered through eight program sub-activities:

- Assessing the status of fishery resources;

- Supporting the assessment and recovery of species at risk;
- Preventing and controlling aquatic invasive species;
- Preventing and controlling aquatic animal diseases;
- Supporting sustainable aquaculture production;
- Evaluating interactions between aquaculture and the environment;
- Applying genomics and biotechnology to aquatic ecosystems; and
- Contributing to science management in DFO and the Government of Canada (in support of safe and accessible waterways, sustainable fisheries and aquaculture, and healthy and productive aquatic ecosystems).

Expected Results: Scientific information to support the sustainable harvest of wild and cultured fish and other aquatic resources and to contribute to sustainable wealth.

Results Achieved: A number of departmental and Government of Canada initiatives and priorities associated with the *Sustainable Fisheries and Aquaculture* strategic outcome possess science requirements that inform the development of policies, regulations, standards and decision-making. These include Aquatic Invasive Species, Aquatic Animal Health, the *Species at Risk Act*, and Canada's Strategy to Curb Overfishing and Strengthen International Fisheries and Oceans Governance[1], as well as important horizontal initiatives such as the Canadian Biotechnology Strategy. In addition to these initiatives, departmental priorities associated with Fisheries Renewal and Aquaculture Governance have been informed by Science to ensure that the associated policies, programs, and regulations have a sound foundation in the natural sciences and a reasonable likelihood of achieving their intended goals and outcomes.

Given the challenge of supporting these numerous separate, but related initiatives and three departmental strategic outcomes, the Science Program continues to implement a renewal strategy based on the needs of an ecosystem science approach. The approach, in which advice on the status of the fisheries resource is provided within a broader ecosystem-based context, delivers a more complete understanding of the diversity, population dynamics, habitat and implications of development. This approach will remain fundamental to our work in support of sustainable fisheries and aquaculture.

Financial and Human Resources, Science, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Science	137.2	157.3	143.0
Program Enablers	38.0	38.2	41.6
Total	**175.2**	**195.5**	**184.6**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Science	955	985	-30
Program Enablers	262	255	7
Total	**1,217**	**1,240**	**-23**

Program Sub-activity: Assessing the Status of Fishery Resources

Description: Providing advice on the status of stock, and conservation objectives for fish, invertebrate and marine mammals.

[1] Because of the timing of funding, Canada's Strategy to Curb Overfishing and Strengthen International Fisheries and Oceans Governance sub-activity plans are included in DFO's 2006-2007 *Report on Plans and Priorities*, and results against plans will be reported in the associated Departmental Performance Reports.

Expected Results: Sound scientific advice on the status of stocks and on conservation objectives in support of decision-making on sustainable harvest levels and international negotiations on the management of straddling stocks.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Conduct approximately 70 advisory meetings to generate science advice on the status of over 35 commercial species of fish, invertebrates and marine mammals.	Between April 2005 and March 2006, 56 advisory meetings were conducted on 39 commercial species of fish. These meetings generated approximately 200 publications (proceedings, research documents and science advisory reports) on the status of fish stocks.
Provide advice to support the implementation of the recently released Wild Salmon Policy and the Fisheries Management Renewal initiative. Work on the Wild Salmon Policy will involve establishing conservation objectives and integrating ocean climate studies into annual forecasts of abundance.	In support of *Canada's Policy for Conservation of Wild Pacific Salmon*, the Science Program provided advice on: ▪ Strategies to conserve and promote the rebuilding of weaker salmon runs, in particular, Interior Fraser Coho, Cultus and Sakinaw Lake sockeye; ▪ Identification of Conservation Units (groups of wild salmon that are very unlikely to recolonize naturally within an acceptable timeframe if they are destroyed); ▪ The successful implementation of the 5-step planning procedure piloted on the Fraser River Sockeye; ▪ The definition of ecosystem values, indicators of ecosystem function, and an assessment framework; and ▪ Survival trends for Pacific salmon for inclusion in State of the Ocean reporting. In support of Fisheries Renewal, the Science Program worked with Fisheries Management in developing precautionary decision frameworks and decision rules to assist in the management of fisheries. Science also undertook collaborative research with industry. This research enabled industry and scientists to work together on issues of common interest, thereby contributing to the greater involvement of stakeholders under the Fisheries Renewal initiative.

http://www.dfo-mpo.gc.ca/csas/

http://www.dfo-mpo.gc.ca/csas/Csas/Home-Accueil_e.htm

Program Sub-activity: Supporting the Assessment and Recovery of Species at Risk

Description: Conducting targeted research and monitoring activities required to provide advice on the status of aquatic species, the issuance of permits and agreements, and the recovery of species at risk, including strategies, action plans and identification of critical habitat.

Expected Results: Sound science advice in support of the implementation and enforcement of the *Species at Risk Act*.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue to provide information to the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) in support of their efforts to identify and assess species that may be at risk.	In support of COSEWIC requirements, Science participated in 14 peer-review activities involving over 70 species in 2005. Over 40 species status reports and information holdings on 7 priority species were reviewed by the Department's scientists in 2005.

http://www.dfo-mpo.gc.ca/csas/Csas/Home-Accueil_e.htm

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Continue to provide the Department with advice on the issuance of permits and agreements under Sections 73 and 74 of the Act, and on the actions and strategies required to enable the recovery of species.	The Science Program refined a framework for assessing allowable harm to species at risk threatened by impacts to their habitat. This makes it possible to provide advice on the issuance of Authorizations under the *Species at Risk Act* and the *Fisheries Act*. The Science Program provided advice on determining the characteristics of a recovered population; this allows the development recovery targets and objectives for species listed under the *Species at Risk Act*.

Program Sub-activity: Preventing and Controlling Aquatic Invasive Species; Preventing and Controlling Aquatic Animal Diseases

Description: Generating scientific knowledge to assist DFO in its efforts to prevent the introduction of invasive species and animal diseases and to control them if they are introduced.

Expected Results: Regulatory provisions, risk assessments and control measures to address invasive species and aquatic animal diseases based on the best available science advice.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Continue to provide support to regulatory initiatives and management actions designed to prevent the introduction and spread of invasive species and aquatic animal diseases. This will include research and monitoring to determine the pathways of invasion, best practices for minimizing introductions, mitigation measures and the impacts of aquatic animal disease and invasive species on ecosystems.	With regard to aquatic invasive species, the Science Program has: ▪ Provided advice to Policy Sector on the development of a regulatory framework for aquatic invasive species in collaboration with the provinces; ▪ Supported the establishment of a National Aquatic Invasive Species Network, funded by Natural Sciences and Engineering Research Council and involving DFO and academic researchers; and ▪ Conducted 18 research and monitoring projects across the country looking at pathways of invasion, impacts of invaders and mitigation strategies. With regard to aquatic animal health, the Science Program has: ▪ Established a Centre of Expertise for National Aquatic Animal Health with the objective of expanding the scope of laboratory diagnostics, assessing information management needs, improving quality control and quality assurance, and undertaking targeted research to enhance disease detection, validate risk analyses and finalize plans to mitigate or eradicate outbreaks of exotic disease; and ▪ Worked with the Canadian Food Inspection Agency to strengthen trade-related disease certification and minimize Canada's exposure to the ravages of exotic pathogens. Consulted and negotiated with key international partners to promote a science–based approach to the harmonization of trade standards, validate import controls, and control aquatic animal disease ports of entry.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Continue to provide support to the Canadian Council of Fisheries and Aquaculture Ministers in the development and implementation of a national action plan to address the threat of aquatic invasive species.	Developed the Implementation Strategy for the National Action Plan and provided it to the Canadian Council of Fisheries and Aquaculture Ministers for approval.
Targeted research on aquatic animal disease diagnostic methods and epidemiology.	Conducted targeted research on diagnostic methods and epidemiology, including: ▪ Validity of diagnostic tests to detect white spot disease in lobster; ▪ Characterization of Infectious Salmon Anemia and Viral Haemorrhagic Septicaemia genotypes to enhance diagnostic methods; ▪ Diagnostic tools for shellfish pathogens, including Multinucleate Sphere X and Bonamia; ▪ Evaluation of evidence that Manila clams cannot be infected by or serve as carriers for the protistan parasite, *Mikrocytos mackini*; and ▪ Evaluation and refinement of molecular assays for detecting *Microcytos mackini*.

Program Sub-activity: Supporting Sustainable Aquaculture Production; Evaluating Interactions between Aquaculture and the Environment

Description: Pursuing research directed toward improved fish nutrition; health, production, and environmental sustainability of the industry; and increased understanding of interactions between aquaculture and the environment.

Expected Results: Increased understanding of the factors that influence aquaculture production and the interactions between aquaculture and the environment.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Provide advice on the effects of finfish cage aquaculture on habitat in the marine environment.	A Science Advisory Report, *Assessment of Finfish Cage Aquaculture in the Marine Environment*, was completed. This report will be used by the Department's Habitat Management Program to inform decisions on aquaculture site selection.
Complete a State-of-Knowledge review of the potential environmental effects of aquaculture (finfish and shellfish) in marine and freshwater ecosystems.	The final two volumes of a State-of-Knowledge series on the potential environmental effects of aquaculture (finfish and shellfish) with a primary focus on biological interactions were completed (to be published in 2006-2007). This knowledge will be used in the formulation of advice to support decision-making by the Department's Habitat Management Program.
Continue to engage in collaborative research and development, with a view to improving the sustainability and competitiveness of the Canadian aquaculture industry, through the Aquaculture Collaborative Research and Development Program (ACRDP).	A total of $9.5 million was allocated to 50 new ACRDP projects in 2005-2006. Approximately $5.6 million of that amount was provided from sources other than ACRDP funds, including contributions from industry and other partners.

http://www.dfo-mpo.gc.ca/csas/Csas/status/2005/SAR-AS2005_034_E.pdf

http://www.dfo-mpo.gc.ca/science/aquaculture/acrdp-pcrda/strategicreview_e.htm

DFO ON THE JOB ...

Integrated Multitrophic Aquaculture

DFO Science at the St. Andrews Biological Station has been working with the University of New Brunswick – Saint John and the salmon aquaculture industry in the Bay of Fundy to grow multiple species at salmon sites that will provide a more balanced ecosystem approach and a more economically efficient industry. Internationally acclaimed, the research project called Integrated Multitrophic Aquaculture (IMTA) involves the growing of finfish (salmon) with shellfish (mussels) and seaweed (kelp) all on the same site.

Now entering its sixth year, the project has exhibited very promising results in that the mussels and seaweed, which are natural consumers of the nutrients released by the salmon, grow faster and better in an IMTA farm than those growing away from aquaculture operations. The research is now focusing on advancing the IMTA concept to a commercial scale and incorporating further species into the mix to create more natural ecosystems. The objective is to increase the revenue of the aquaculture sector in the Bay of Fundy by an estimated $45 million. In addition, the project plans to reduce the environmental impact from finfish wastes through biological recycling, which will make aquaculture operations more sustainable and publicly acceptable. The project is actively strengthening international research and development collaborations and Canada's leadership in IMTA research.

Program Sub-activity: Applying Genomics and Biotechnology to Aquatic Ecosystems

Description: Developing and adopting leading-edge genomics research and biotechnology tools to improve DFO's ability to protect endangered species, manage opening and closing of fisheries, avoid overexploitation of resources, prosecute poachers, improve aquaculture practices, control disease outbreaks, remediate contaminated sites and regulate aquatic organisms with novel traits.

Expected Results: Increased efficiencies through the application of genomics techniques and biotechnology tools to departmental responsibilities and the science base needed to inform the regulation of aquatic organisms with novel traits.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue efforts to develop, adopt and operationalize genomics and biotechnology applications in support of the Department's mandate.	Sixteen articles and a comprehensive technical report, based on the research conducted by the Department's Genomics and Aquatic Biotechnology scientists, were published in 2005-2006. Research was undertaken in areas such as the live gene banking of endangered populations of Atlantic salmon and the detection of European ancestry in escaped farmed Atlantic salmon, environmental risk assessments of transgenic fish and the selection on increased growth rates in Coho salmon. The results of this research were used to expedite identification of species of interest or concern, to aid in the protection of endangered species and the management of various fisheries and to assess biodiversity in support of fisheries enforcement and aquaculture regulations.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Provide the science base for the administration of *New Substance Notification Regulations* under the *Canadian Environmental Protection Act*, 1999 for aquatic organisms with novel traits, and the development of biotechnology regulations under the *Fisheries Act*.	DFO continued to enhance its regulatory science base in the event that applications to manufacture or import novel aquatic organisms with novel traits, including genetically engineered aquatic organisms, are received by the Department.

DFO ON THE JOB …

Atlantic Cod Genomics and Broodstock Development Project

Aquaculture is one of the fastest growing sectors of the agricultural economy, with research under way on a number of new finfish species. One species is Atlantic cod, with aquaculture methods that are in early development worldwide. DFO Science at the St. Andrews Biological Station has developed cod production expertise and as a result is a key partner in the Atlantic Cod Genomics and Broodstock Development Project (CGP), a four-year multi-partner project with total costs of $18.1 million co-led by the Huntsman Marine Science Centre and Genome Atlantic.

Current cod aquaculture prospects rely on wild populations for broodstock, but the industry recognizes that the selection of "elite" broodstock is essential to produce cod that perform well under conditions of industrial culture. CGP will identify and select elite cod broodstock for large-scale aquaculture through a combination of selective breeding, genomics and fish biology. DFO is providing scientific expertise and its research facilities for the establishment of the family-based breeding programs for Atlantic cod in both New Brunswick and Newfoundland.

CGP will provide industry partners with global competitive advantage in the farming of cod and, through the commercial success of partners, will strengthen the rural economies in Atlantic Canada. The project will also augment local expertise and research facilities and will enable Atlantic Canada to retain its global reputation as a leader in genomics and aquaculture science and attract international alliances.

Program Sub-activity: Contributing to Science Management in DFO and the Government of Canada (in support of all three strategic outcomes)

Description: Carrying out national management functions that support the Science program within the Department and across science-based departments and agencies.

Expected Results: Alignment of the Science Program with departmental strategic outcomes and priorities, Government of Canada science and technology priorities, and the best interests of Canadians.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Complete Science Renewal and begin implementation of initiatives.	The following initiatives were implemented in 2005-2006: ▪ A Science Management Board was established to provide strategic direction to the Science Program on departmental and Government of Canada priority issues that require scientific support. ▪ Based on a review of the Science Program, changes are being implemented to achieve greater effectiveness and efficiency. ▪ Five Geographic and Virtual Centres of Expertise were established to promote innovation, collaboration, effectiveness and efficiency in the delivery of science. ▪ Frameworks for human resources and financial management have been developed and implemented to provide longer term guidance and direction. ▪ An ecosystem science framework was completed to provide direction on multi-functional science products that will service client demands for science within the context of an ecosystem-based approach to the management of Canada's oceans.

DFO ON THE JOB ...

SARA in the Arctic

The Species at Risk program protects Canada's most vulnerable aquatic organisms from extinction. Some of these creatures are obscure, tiny, and are found in warm freshwater lakes, while others are huge Arctic whales that are well known to the Inuit of Nunavut.

The Bowhead Whale is one of these threatened Arctic marine mammals, and its population is slowly starting to come back from perilously low numbers of 30 years ago. Commercial whaling was once the greatest threat to the Bowhead Whale and the main reason the species was at risk in parts of the Arctic. Today, however, the greatest threats to these whales come from an increased vulnerability to predation by Killer Whales, which are wandering unusually far North as a result of reduced ice coverage. Climatic factors may also influence the availability of food sources to the Bowhead. The Bowhead Whale feeds on crustacean zooplankton, and it has been suggested that Bowhead sightings occur where they do because of the abundance and distribution of that zooplankton.

These Arctic whales are very large, growing to over 17 metres. Adults are black in colour, with white areas near the chin, eyelids, tail stock and flukes. They can weigh in at a massive 50 tons for a mature adult, and recent research has shown that they probably live the longest of any Arctic marine mammal, with some living for 150 years.

Biologists from DFO and Inuit elders from Nunavut have been working together to ensure that the population of these shy giants continues to recover. The Bowhead Whale Recovery Team was formed in April 2006 in Iqaluit, Nunavut, to oversee recovery of a whale in Canada's Arctic.

In the early spring of 2006, the Recovery Team approved research projects, one of which took place in July 2006. Nine Bowhead Whales were tagged with satellite communication instruments, which allow biologists and wildlife managers to develop answers to questions about the natural history of these whales. For example, how is the population structured? What are their migration patterns? Where are the over wintering waters? Are there specific calving areas?

The Recovery Team will work into the foreseeable future in a continuing effort to keep this magnificent mammal from extinction.

Healthy and Productive Aquatic Ecosystems

The strategic outcome *Healthy and Productive Aquatic Ecosystems* ensures the sustainable development and integrated management of resources in or around Canada's aquatic environment through oceans and fish habitat management. It also involves carrying out the critical science and fisheries management activities that support these two programs.

This strategic outcome is delivered through three program activities:

- Oceans Management;
- Habitat Management; and
- Science.

Oceans are a finite resource, yet the scale and diversity of oceans-related activities are growing dramatically. Commercial fishing fleets, fish farmers, recreational boaters, ecotourists, cruise ship operators, offshore oil and gas developers and marine transport companies all seek to use ocean resources. The growth of coastal and marine activities has resulted in ecosystem imbalances, degradation of the marine environment and the introduction of potentially harmful species.

In January 1997, Canada enacted a law, the *Oceans Act*, which established an innovative approach to the way our nation will manage its oceans in the 21st century.

Canada released its Oceans Strategy on July 12, 2002. The Oceans Strategy provides policy direction, assists in building partnerships, and supports a number of key activities, including the following:

- Integrating science and traditional ecological knowledge to increase our understanding of marine ecosystems and to support an ecosystem-based approach to the management and sustainable development of ocean activities;
- Reducing marine pollution, including the designation of no-discharge zones for certain pollutants and the creation of ballast water exchange zones;
- Developing and implementing a federal strategy to establish a network of Marine Protected Areas;
- Using Integrated Management to address conflicts about ocean use and to manage human activities in ocean areas where multiple interests are involved;
- Establishing governance mechanisms to actively engage governments and the public in ocean-related issues, including the establishment of stakeholder advisory bodies for large ocean management areas; and
- Promoting international collaboration to conserve and protect globally shared ocean resources.

Open water off the coast of Newfoundland

A number of DFO ocean programs are essential to the implementation of Canada's Oceans Strategy.

The Science Program provides scientific research, monitoring, advice, products and services, and data management to support the integrated management of healthy and productive aquatic ecosystems for the benefit and enjoyment of Canadians.

Results Chain

What Did DFO Spend?

Approximately 11% of the Department's total expenditures for 2005-2006 — or $162 million — was used to ensure healthy and productive aquatic ecosystems.

Financial and Human Resources, Healthy and Productive Aquatic Ecosystems, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Healthy and Productive Aquatic Ecosystems	115.3	127.7	129.4
Program Enablers[1]	32.0	36.6	33.0
Total	**147.3**	**164.3**	**162.4**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Healthy and Productive Aquatic Ecosystems	1,076	1,011	65
Program Enablers[1]	221	216	5
Total	**1,297**	**1,227**	**70**

Note: Because of rounding, figures may not add to the totals shown.

[1] Financial and human resources for Program Enablers have been prorated across program activities. Section 4 provides further information on Program Enablers.

Program Activity: Oceans Management

Description: Facilitating the conservation and sustainable use of Canada's oceans, in collaboration with others, through integrated oceans management, planning processes and related plans. This includes establishing Marine Protected Areas under the *Oceans Act* and identifying marine environmental quality objectives respecting estuaries, coastal waters and marine waters.

Program Sub-activities: The Oceans Management program activity is delivered through three program sub-activities:

- Integrated management;
- Marine Protected Areas; and
- Other sub-activities.

Expected Results: Increased collaboration between all key stakeholders involved in managing Canada's oceans. ■ Improved opportunities for coastal communities. ■ Increased conservation of marine and coastal environments.

Results Achieved: With the implementation of the Oceans Action Plan and the continuation of existing ocean programs, the Department has made progress in several key areas, especially integrated oceans management. The integrated oceans management program focuses on building capacity, that is, on bringing together ocean users and stakeholders, including provinces, territories, Aboriginal groups, industry and coastal communities, to plan activities in priority ocean areas.

Last year, the focus was on strengthening relationships federally, provincially and territorially. New governance bodies were established at the national level, and new horizontal arrangements and partnerships are emerging among federal departments and with partners. The Department has also developed collaborative working relationships with coastal communities, provinces, Aboriginal groups (including Inuit and First Nations), industry and other interested parties.

Opportunities for new technologies relevant to oceans management are being explored through a technology demonstration platform project in Placentia Bay, otherwise known as SmartBay. Funding was announced for the purchase of a range of Canadian-designed oceans technologies that will support effective integrated management decision-making and enhance vessel traffic safety. Similarly, Transport Canada committed funding and support to enhance aerial surveillance in the Atlantic.

The 2005-2006 period was also a science-focused year, with all of the available scientific information for the five priority areas being assembled and assessed in preparation for the identification of Ecologically and Biologically Significant Species, Ecologically and Biologically Significant Areas, Impacted Areas and Impacted Species. This information is of direct use to other regulators who need to know about the need for special management actions in these areas and for these species. The information also forms the conservation basis for the ecosystem objectives that, together with social and ecological considerations, guide the development of integrated management plans.

Within the context of oceans health, Canada's Marine Protected Area Strategy was released; this Strategy describes how a federal network of Marine Protected Areas will be established. In addition, three new Marine Protected Areas were designated, and significant progress was made in two other Areas of Interest.

Financial and Human Resources, Oceans Management, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Oceans Management	16.9	18.1	16.0
Program Enablers	4.8	6.4	5.7
Total	**21.7**	**24.5**	**21.7**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Oceans Management	131	111	20
Program Enablers	34	33	1
Total	**165**	**144**	**21**

Program Sub-activity: Integrated Management

Description: Adopting spatially-based planning and management processes of Canada's ocean resources, through the use of an ecosystem-based approach to manage, conserve and protect sensitive marine ecosystems.

Expected Results: Improved integration of offshore federal activities. ■ Improved federal-provincial-territorial co-ordination and integration of ocean resource use. ■ Improved opportunities to generate wealth and economic activity in coastal communities. ■ Improved understanding of the marine ecosystem, and its stresses and threats, and appropriate conservation measures put in place.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue the integrated management planning of five priority Large Ocean Management Areas: Placentia Bay/Grand Banks; Scotian Shelf; Gulf of St. Lawrence; Beaufort Sea; and the Pacific North Coast. In the initial phase, the main focus will be ecosystem overview reports and mapping of sensitive marine areas. This will involve the following: ▪ Providing basic scientific and socio-economic information to guide collaborative oceans planning in the five priority areas. This will include stakeholder consultations on the Ecosystem Overview Reports and accelerating the production of ecosystem objectives. ▪ Identifying ecologically and biologically significant areas. ▪ Establish objectives for biodiversity, productivity and water/habitat quality for Large Ocean Management Areas.	Good progress was made in each of the five Large Ocean Management Areas (LOMAs): ▪ Ecosystem Overview and Assessment Reports were either initiated or completed in each of the five LOMAs. ▪ The identification of ecologically and biologically significant areas and species was initiated or completed in each LOMA, and approaches to mapping priority sensitive marine areas have been initiated. ▪ Protocols for identifying ecosystem objectives for LOMAs are under development and are on track for 2007-2008 projections.
Continue to address governance issues in integrated management planning. Federal-provincial-territorial agreements on oceans priorities may be required, as well as some agreements with First Nations or Aboriginal organizations. Conclusion of the Canada-British Columbia Memorandum of Understanding on Oceans will be a priority. This plan will involve the following: ▪ Collaborating with the Oceans Task Group, under the Canadian Council of Fisheries and Aquaculture Ministers, to develop approaches with provinces and territories; ▪ Negotiating agreements with individual provinces and territories and Aboriginal representatives as necessary; and ▪ Implementing new management and advisory bodies to support integrated management plans and government decision making	Governance issues and opportunities are being realized through the establishment of regional bodies. Federal-provincial-territorial agreements are under development where there is interest and a need. The Canada-British Columbia agreement has been signed, and sub-agreements are under development. With respect to specific items: ▪ Regular meetings with the Oceans Task Group under the Canadian Council of Fisheries and Aquaculture Ministers have occurred and continue to be a useful mechanism to increase collaboration. ▪ The need to negotiate agreements with all provinces individually is waning and will be approached strategically in the future including using tools such as letters of agreement and the use of collaborative mechanisms such as regional implementation committees. New management bodies have been established in most of the five LOMAs. Participation in management bodies reflects the broad range of federal and provincial departments and agencies with oceans mandates and interests. Management bodies are working to achieve Aboriginal participation and to create advisory bodies of stakeholders.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Continue DFO's response to the requirements of the *Species at Risk Act* (SARA). This will include participation in the recovery and protection of aquatic species at risk including review of draft recovery plans and pilot projects employing ecosystem approaches. Ecosystem-based recovery is an element contained within an Integrated Management Plan that includes identification of Ecologically and Biologically Sensitive Areas and the definition of SARA-critical habitat. DFO will explore the ecosystem-based concept through a discussion paper, and also address the recovery of multiple species.	A DFO-led workshop on SARA Multi-Species and Ecosystem-Based Recovery was held in March 2006 to advance these approaches and share information and best practices. Proceedings of the workshop were released in April 2006 and widely distributed within the SARA and Oceans Management community. An Oceans Practitioner Guide to SARA has been drafted and is near completion. Oceans continued providing strategic advice and comments to advance SARA issues of common interest: on the use and implementation of the ecosystem-based management approach, Marine Protected Areas, ecologically and biologically significant areas versus critical habitat, strategic approach to fill SARA gaps, etc. Oceans participated in preliminary discussions to prepare the SARA Ministerial Round Table scheduled for Fall 2006, where ecosystem-based management will be a key theme.

Program Sub-activity: Marine Protected Areas

Description: Designating Marine Protected Areas (MPAs) to protect priority sensitive marine areas through special regulatory measures.

Expected Results: Improved health and viability of priority sensitive marine areas. ■ Increased conservation and protection of oceans resources and habitats. ■ Improved response to global conservation concerns.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Finalize the federal MPA strategy. This strategy is related to the protection of Canada's long-term economic and environmental interests and is also linked to human health concerns. This plan involves the following: ▪ Developing and communicating a government-wide strategy for MPAs; and ▪ Completing MPA designations on a priority basis as approved by the Minister	The federal MPA strategy has been finalized and made public. Three MPAs were designated by DFO in 2005-2006: Basin Head, Prince Edward Island; Gilbert Bay, Labrador; and Eastport, Newfoundland.

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/infocentre/publications/docs/fedmpa-zpmfed/index_e.asp

Program Sub-activity: Other Sub-activities

Other sub-activities associated with Oceans Management include the conservation and sustainable use of our oceans through horizontal collaboration and the development of marine environmental quality guidelines and regulations.

These other sub-activities are expected to result in the following:

- Strengthened leadership and management regime for the conservation and sustainable use of the oceans; and
- Improved national and international management, administration and leadership on oceans issues.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Finalize seismic regulations. The initiative is to develop national guidelines for the mitigation of the potential effects of seismic sound on the marine environment. This plan will respond to the Oceans Action Plan and the government plan on Smart Regulation. It will involve the following: ▪ Completing technical consultations jointly with Newfoundland and Labrador, Nova Scotia, Quebec and British Columbia; and ▪ Finalizing regulations with offshore Boards.	DFO completed technical consultations and revised the draft Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment to address public comments. The Department developed a background explanatory paper that serves as a guide to the more technically worded Statement of Canadian Practice. The Department also initiated consultations with First Nations.

DFO ON THE JOB ...

Marine Protected Areas

In Canada and around the world, there is a growing recognition that Marine Protected Areas have a critical role to play in the conservation and protection of marine life and their habitats. Canada's oceans are rich and have enormous potential to benefit both present and future generations. Our coastal and offshore marine ecosystems are host to a remarkable diversity of species including marine mammals, fish, and a wide variety of invertebrate species and plants.

However, threats to the biodiversity, productivity and ecological integrity of marine ecosystems must be addressed, not only because we value our oceans but also because coastal communities and regional economies depend on healthy, productive oceans.

Canada's *Oceans Act* gives us the ability to establish Marine Protected Areas (MPAs) to conserve and protect unique habitats, endangered or threatened marine species and their habitats, commercial and non-commercial fishery resources (including marine mammals) and their habitats, marine areas of high biodiversity or biological productivity, and any other marine resource or habitat requiring special protection.

While the size of an MPA will vary from site to site, ranging from small coastal to large ocean areas, increased human activities associated with the marine environment such as coastal and offshore development, pollution and resource extraction, have placed marine ecosystems at greater risk. The establishment of a national network of MPAs under Canada's *Oceans Act* can help conserve and protect the oceans and their resources for future generations.

MPA projects are community-led initiatives, and each site has unique conservation objectives that are scientifically assessed and monitored. Once an area is designated as an MPA, activities in the area will depend on the goals of the particular site. DFO will work with local resource users, as well as other stakeholders, to identify the level and types of activities allowed within a particular MPA.

In October 2005, the Minister of Fisheries and Oceans Canada announced the designation of three MPAs:

- Initiated by local lobster fishers, Eastport, Newfoundland, was designated as an MPA to help conserve two prime lobster spawning and rearing grounds. As part of an overall conservation strategy for the area, Eastport Peninsula lobster harvesters requested that DFO close Round Island and Duck Island to all commercial and recreational fishing. Scientific evidence suggests that this action has sustained, and perhaps enhanced, the adjacent lobster fishery. DFO is continuing to work in partnership with lobster harvesters and the community to protect these lobster stocks.

- Gilbert Bay, Labrador, was chosen as an MPA because it is home to a genetically distinct population of northern cod. The reddish-brown to golden-coloured fish have adapted to the local environment and have many unique characteristics. MPA regulations have designated three management zones designed to protect this small population of northern cod.
- Basin Head Harbour, at the eastern tip of Prince Edward Island (PEI), is a small coastal lagoon ecosystem inhabited by a rich diversity of organisms including marine plants, invertebrates, fish, mammals and birds. It was designated as a Marine Protected Area to conserve and protect the habitat of a unique form of Irish moss (Chondrus crispus). Irish moss is a commercially important marine plant harvested in coastal areas throughout the Maritime Provinces, with most effort concentrated on PEI. The unique Basin Head Irish moss does not attach to the bottom, is significantly larger, and has a higher concentration of carrageenan, a stabilizing and thickening agent used in foods, pharmaceuticals and cosmetics. For several years, researchers gathered data on the biological and physical characteristics of the lagoon for the report *Ecological Assessment of the Basin Head Lagoon: a Proposed Marine Protected Area.*

Program Activity: Habitat Management

Description: Conserving, protecting and enhancing freshwater and marine fish habitat, in collaboration with others, through a balanced application of regulatory and non-regulatory activities in the context of smart regulation and sustainable development.

Program Sub-activities: The Habitat Management program activity is delivered through three program sub-activities:

- *Fisheries Act* referrals;
- Environmental assessment; and
- Other sub-activities.

Expected Results: The availability of freshwater and marine habitat for the production of fish species and populations that Canadians value.

Results Achieved: DFO's Habitat Management Program is a federal regulatory program with a mandate to conserve, protect and enhance freshwater and marine fish habitat, in collaboration with others, through a balanced application of the habitat protection provisions of the *Fisheries Act*, consistent with the requirements of the *Canadian Environmental Assessment Act* and the *Species at Risk Act*, and the principles of smart regulation and sustainable development. When fish habitat is abundant and healthy, Canada's fisheries resources produce economic and social benefits across the country.

http://www.dfo-mpo.gc.ca/publication_e.htm

In 2005-2006, progress toward expected results was demonstrated by a 20% reduction from the previous year in the number of authorized harmful impacts to habitat. In the context of smart regulation and sustainable development, the reduction is linked to DFO's continuing efforts to work proactively with proponents to plan and complete development projects with minimal or no harmful impacts on fish habitat.

Speed River, Ontario

Risk management practices involved applying a science-based Risk Management Framework to Program operations. The Program also incorporated Integrated Risk Management into its management practices, including risk analysis and related mitigation strategies in the annual business plan.

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

The Habitat Management Program continued to implement the Environmental Process Modernization (EPMP), one of DFO's seven program priorities. Both EPMP and the Risk Management Framework helped improve program effectiveness and efficiency and contributed to achieving the expected results.

With respect to program administration, the Habitat Management Program achieved its Expenditure Review Committee reduction targets for 2005-2006 through attrition and vacancies.

Financial and Human Resources, Habitat Management, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Habitat Management	52.0	59.3	53.7
Program Enablers	14.5	15.8	15.5
Total	**66.5**	**75.1**	**69.2**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Habitat Management	486	450	36
Program Enablers	100	98	2
Total	**586**	**548**	**38**

Program Sub-activity: Fisheries Act Referrals

Description: Reviewing, assessing and monitoring activities in and around water to ensure compliance with the *Fisheries Act*.

Expected Results: Reduction or elimination of impacts on fish and their habitat from activities in or around water.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Develop and implement a Risk Management Framework. This framework will help identify what activities affect fish habitat and the level of risk that activities pose to fish habitat. This plan will involve developing the following: ▪ Pathways of Effects for a range of activities occurring in and around water; and ▪ A risk management matrix that defines the sensitivity of fish habitat and the significance of activities' impacts on fish habitat. Once the framework has been developed, DFO will apply it to *Fisheries Act* regulatory reviews. This in turn will involve developing, implementing and evaluating a Practitioner's Guide to Risk Management, conducting pilot tests of the framework, specifying Pathways of Effects, and developing a background paper on the science of applying risk management to Habitat Management.	DFO developed and implemented a science-based Risk Management Framework to identify referral projects posing the greatest risk to fish habitat. DFO piloted the framework and applied it to *Fisheries Act* regulatory reviews. To support the use of this approach to the management of fish habitat, DFO developed a background scientific paper and completed the *Practitioner's Guide to Risk Management*. By February 2006, 50% of Habitat Management Program staff were using the Risk Management Framework and Pathway of Effects tools developed under EPMP.

Plans Identified for 2005-2008	Results Achieved in 2005-2006
Develop and implement streamlining tools for *Fisheries Act* referrals. This involves the following: ▪ Implementing National Operational Statements (OSs) for low-risk activities. This will require identifying, developing and evaluating additional National and Regional Operational Statements. ▪ Developing options for streamlining medium- and high-risk referrals. ▪ Implementing a "one window" approach to the application of National Operational Statements with provinces and territories. This will involve a provincial/territorial delivery system of Operational Statements where possible. ▪ Developing a monitoring and auditing framework.	DFO developed and implemented National Operational Statements (OSs) to streamline the regulatory review of low-risk projects (OSs specify measures and conditions for avoiding harmful effects to fish habitat). Thirteen OSs were developed and approved in 2005-2006. A February 2006 staff survey found a very high level of staff awareness and understanding of how OSs should be applied. Also, 75% of industry stakeholders who responded to a questionnaire indicated their support for OSs. DFO established a one-window approach for provincial/territorial delivery of OSs. Three provinces have integrated all or some of the OSs into their permitting systems, and a total of 23 OSs were integrated into provincial/territorial permitting processes. DFO developed a Habitat Compliance Framework that includes components for monitoring and auditing that will support the evaluation of the Habitat Management Program and the Department's mission. DFO continued efforts in 2005-2006 to improve monitoring and increase awareness of, and compliance with, the fish habitat protection requirements of the *Fisheries Act*.
DFO will provide advice on the application of the *Species at Risk Act* (SARA) for aquatic species at risk and more specifically the three prohibitions in SARA applicable to aquatic species at risk and ensure that these are integrated into the referral review process under the *Fisheries Act* as well as federal environmental assessments.	DFO provided advice to staff on applying the *Species at Risk Act* (SARA), with special emphasis on integrating SARA prohibitions applicable to aquatic species at risk into the referral review process.

http://www.dfo-mpo.gc.ca/canwaters-eauxcan/epmp-pmpe/operational_e.asp

Program Sub-activity: Environmental Assessment

Description: Conducting environmental assessments for proposed projects before making a regulatory decision. ■ Providing expert advice to ensure compliance with the *Fisheries Act.*

Expected Results: Consideration of environmental effects of projects before regulatory decisions are undertaken under the *Fisheries Act*. ■ Reduction or elimination of impacts on fish and their habitat.

Bowmanville Creek, Ontario

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Implement the new management approach to environmental assessments for major projects. This involves the following: ▪ Establishing a new National Headquarters-Regional organizational structure for the environmental assessments of major projects and accountability measures (signing protocols). Work will include reviewing and updating the Sign-Off Protocol. ▪ Implementing new operational policies for early triggering and scoping of environmental assessments for major projects. ▪ Developing and consulting on a draft Operating Policy for Scoping of Regulatory Triggered Environmental Assessments. Work will also involve reviewing and updating the Early Triggering Policy. ▪ Managing environmental reviews of major projects.	In 2005-2006, Habitat Management was the lead or Responsible Authority under the *Canadian Environmental Assessment Act* (CEAA) for 467 projects started in 2005-2006; this included managing environmental reviews of major projects. By March 31, 2006, Habitat Management was involved in 13 comprehensive studies and eight panel reviews, which are considered major projects. (Major projects typically involve complex, multi-jurisdictional reviews with nationally significant socio-economic implications.) In 2005-2006, 359 projects were completed with CEAA reviews that incorporated HMP requirements and advice. DFO implemented measures to promote more effective, timely and co-ordinated environmental assessments and regulatory decisions with respect to major projects. DFO also established new organizational structures in the regions and national headquarters (NHQ) to manage major projects. DFO developed decision protocols for major projects to facilitate timely decision-making and implemented the new operating policy for early triggering. DFO responded to a total of 89 requests from the public to supply copies of documents on ongoing environmental assessments.

Various marine organisms

Program Sub-activity: Other Programs and Services

Description: Developing and implementing training; information management; public awareness and education; performance measurement, reporting and evaluations; and partnerships and stewardship products and services in support of the *Fisheries Act* referrals and Environmental Assessment activities.

Expected Results: Staff, partners and the public are aware of and understand habitat management concepts, objectives, principles and practices and that partners and the public are engaged in fish habitat management activities.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Improve coherence and predictability of delivery of Habitat Management activities. This involves the following: ▪ Developing and implementing a practitioner's guide for Habitat Management activities. Work will focus on reviewing and updating the *Consolidated Operating Policy Manual*. ▪ Finalizing, implementing and evaluating a mandatory training program for Habitat Management staff. ▪ Implementing the newly established governance structure for the Habitat Management Program. ▪ Developing and implementing a performance measurement and evaluation strategy for the Habitat Management Program. Work will include implementing the Program's Results-based Management and Accountability Framework.	The Mandatory Training Program, including five training courses (over 900 person-days of staff training), was finalized and implemented. Almost 40% of staff successfully completed Habitat Management 101, one of two compulsory courses for all Program staff. The review and update of Habitat's *Consolidated Operating Policy Manual* was partially completed and will be carried forward to 2006-2007. The Program established ongoing performance monitoring and measurement practices by developing and implementing a Results-based Management and Accountability Framework. The recommended internal governance structure for the Program was fully implemented. The structure includes several committees and working groups, with representation from all regions.
Renew the emphasis on partnering and stewardship. To do this, DFO will: ▪ Establish co-operative agreements with the provinces and territories. DFO will implement existing Memoranda of Understanding on Habitat Management with the provinces, and will pursue new Memoranda of Understanding on Habitat Management with the provinces and territories. ▪ Implement and evaluate co-operative agreements with industry, including the Memoranda of Understanding on Habitat Management with the Canadian Electricity Association and the agreement with the National Resource Industry Associations. ▪ Pursue co-operative arrangements with non-government organizations and the Federation of Canadian Municipalities. ▪ Implement the Aboriginal Inland Habitat Program. Work will include regional implementation and program evaluation.	DFO established and implemented federal-provincial-territorial agreements on Habitat Management in the form of Memoranda of Understanding (MOUs) that identify priority areas for co-operation and put a governance and accountability structure in place. To date, 4 MOUs on habitat management have been signed, along with 9 Protocols. DFO continued to implement partnership agreements with industry involving the National Resource Industry Association and the Canadian Electricity Association: ▪ The National Resource Industry Association, consisting of seven major industry associations, contributed to the development of DFO Operational Statements (OSs). ▪ DFO worked with various industry associations to have their members incorporate Pathways of Effects, developed under the Risk Management Framework, into industry best management practices. ▪ Implementation of the MOU with the Canadian Electricity Association included a series of orientation workshops with member utilities, as well as a national workshop. DFO pursued co-operative arrangements with non-government organizations and implemented co-operative arrangements on Habitat Management with the Federation of Canadian Municipalities. For example, DFO provided OSs to municipalities and worked with the Federation of Canadian Municipalities to address shared objectives. With regard to the Aboriginal Inland Habitat Program (AIHP), DFO implemented a new Regional/NHQ management model and redesigned the program. Progress includes 2 resource management structures funded through AIHP. Extensive consultations took place with Aboriginal groups, and DFO received 10 multiyear proposals in early 2006-2007. In December 2005, DFO approved a funding agreement with the Aboriginal Human Resources Development Council of Canada, paving the way to work with Aboriginal leaders in each inland province to implement the new AIHP.

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

DFO ON THE JOB ...

Creative Sentencing – The Creative Conclusion to Fisheries Act Violations

The effective enforcement of the *Fisheries Act* requires a balance between proactive education, stewardship and partnering activities versus reactive formal legal avenues. Although engaging legal action is the last course of action that DFO pursues, legal action can serve as an effective deterrent, as well as an opportunity to engage the public's interest and to educate them on fish habitat issues. This is particularly so when creative sentencing is used.

Once a guilty plea is rendered or a conviction occurs, a sentencing order that is commensurate with the offence is handed down. The sentencing hearing provides DFO with an opportunity to request that the penalty be used to exemplify the situation or directly contribute to fish habitat.

There have been many instances of creative sentencing this past fiscal year in the Ontario-Great Lake Area and in the Prairies Area.

One such case took place in December 2005. A provincial court found the defendant to be in violation of the provincial *Water Act*, as well as subsection 36(3) of the federal *Fisheries Act*. Subsection 36(3) prohibits depositing of deleterious substances such as sediment into water frequented by fish without prior authorization.

As a result of a creative sentencing initiative and joint submission of the Crown and Defence counsel, a penalty of $10,000, inclusive of a victim fine surcharge, was assessed by the Court against the property owner with respect to the *Fisheries Act* violation. This was in addition to a penalty assessed in relation to the *Water Act* and calculated to be worth $89,960.26 in turnips (yes, turnips), which are to be provided to an area food bank over the next four years.

Why turnips you ask? The Court granted the company time to pay the $10,000 penalty in cash within two months. The additional penalty of $89,960.26 would be difficult for any small business to pay in a tight timeframe. The creative sentencing process both prevented the potential bankrupting of a viable business and served as a four-year reminder and warning to others of the serious nature of unauthorized works in water or along water bodies containing fish.

Conservation and Protection staff have been working to establish a habitat restoration fund in the Prairies Area to house court-ordered compensation monies. Future court-ordered compensatory monies are to be directed to this fund, which is then to be used to finance projects that are set up to restore or improve fish habitat in the province where the occurrence originated. This will allow DFO to focus funds on major habitat restoration projects.

Another example of creative sentencing comes from a town in Ontario that was fined $5,000 after pleading guilty with respect to a *Fisheries Act* violation. DFO requested that the fine be directed to the enhancement of fish habitat and the support of conservation programs. In another case, $3,000 of a $3,500 fine was directed to Trout Unlimited Canada for the Coaster Brook Trout Habitat Research Program on the north shore of Lake Superior when an individual was found guilty of one count of violating Subsection 36(3) of the *Fisheries Act*.

In May 2005, $30,000 from the *Fisheries Act* creative sentencing program was part of a $49,000 grant to help a collaborative group undertake the first-ever Muskoka River Watershed Inventory and Action Plan. The group included the Muskoka Heritage Foundation, Muskoka Watershed Council, District of Muskoka, Ontario Ministry of Natural Resources and Fisheries and Oceans Canada. An Ontario Trillium Foundation plaque was presented to the group.

From providing sustenance to food banks to restoring important habitats, creative sentencing goes a long way to promoting goodwill in communities, promoting education and stewardship initiatives, and more important, helping to rejuvenate the very resource DFO is mandated to protect.

Program Activity: Science

Description: Providing scientific research, monitoring, advice, products and services, and data management.

Program Sub-activities: Science in support of healthy and productive aquatic ecosystems is delivered through seven program sub-activities:

- Assessing the impacts of development on aquatic ecosystems;
- Assessing aquatic ecosystems and supporting integrated oceans management;
- Mapping the ocean floor;
- Integrated management of scientific data;
- Determining the role of oceans in the global climate;
- Assessing the impact of climate variability on aquatic ecosystems; and
- Other programs and services.

Expected Results: Science information to support the integrated management of healthy and productive aquatic ecosystems for the benefit and enjoyment of Canadians.

Results Achieved: In 2005-2006, the Department's Science Program focused it efforts on helping to advance the two key Departmental priorities associated with the healthy and productive aquatic ecosystem outcome — the Oceans Action Plan (OAP) and Environmental Process Modernization Plan (EPMP) — while continuing efforts to increase our understanding of the role of oceans in climate and how climate change and variability will impact aquatic resources.

Scientific monitoring device being lowered into the water

In support of the OAP, Science completed guidelines for the identification of ecologically and biologically significant areas and draft Ecosystem Overview Assessment Reports (EOARs) for all five Large Ocean Management Areas. Peer-reviewed advice on the evidence supporting the Pathways of Effects and approaches to quantifying elements of the Risk Management Framework were provided to the Habitat Management Program in support of the EPMP priority.

The Science Program also established Centres of Expertise and initiated work on a long-term human resource strategy and selective recruitment to aid in building teams of multidisciplinary scientific expertise to support requirements associated with the ecosystem approach — an interdisciplinary approach that delivers a more complete understanding of the diversity, population dynamics, habitat and implications for development, and ultimately provides for more comprehensive information necessary to preserve, sustain, and restore resources and habitats.

Financial and Human Resources, Science, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Science	46.4	50.3	59.7
Program Enablers	12.7	14.4	11.7
Total	**59.1**	**64.7**	**71.4**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Science	459	449	10
Program Enablers	88	86	2
Total	**547**	**535**	**12**

Program Sub-activity: Assessing the Impacts of Development on Aquatic Ecosystems

Description: Providing scientific advice on the potential impacts, mitigation measures, risks and regulations in support of the habitat management authorities in the *Fisheries Act*, the Policy for the Management of Fish Habitat, *Species at Risk Act*, *Oceans Act*, *Navigable Waters Protection Act*, and the *Canadian Environmental Assessment Act*.

Expected Results: Sound science advice on potential impacts, mitigation measures and risks associated with development activities, and toxic chemicals and contaminants, on aquatic ecosystems in support of the Department's regulatory responsibilities.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Provide advice on the development of the Risk Management Framework for the management of fish habitat. This will include advice on quantification of the severity of effects on and sensitivity of habitats, as well as on the Pathway of Effects for a number of activities that have the potential to affect fish habitat.	Science provided peer-reviewed advice to the Department's Habitat Management Program on the evidence supporting Pathways of Effects to clarify cause and effect relationships for land-based and in-water development activities that affect fish habitat. Science also explored potential approaches to quantifying elements of the Risk Management Framework in support of Habitat Management requirements.
Pursue the establishment of a university research chair in the area of risk management as it applies to habitat management.	Establishing a university research chair in the area of risk management as it applies to habitat management was further explored. It was decided to defer its establishment, given the level of effort required and the commitments required of all parties. While not focused exclusively on fish habitat, a Centre of Expertise for Aquatic Invasive Species Risk Assessment was established. The Centre's primary focus is on risk assessments of aquatic invasive species. It is expected that new knowledge generated by the Centre will contribute to biological risk assessment in general, which will have applications in the area of habitat management.
Continue to work with partners in the marine and freshwater science community to better understand the potential impacts of industrial activity on aquatic ecosystems and of associated mitigation measures and their effectiveness.	The following Centres of Expertise have been established to build national science capacity for assessing industrial impacts on aquatic ecosystems and to enhance collaboration among DFO Science, universities, and other key contributors in the national science community: ▪ Aquatic Invasive Species Risk Assessment; ▪ Toxic Chemical Analysis; ▪ Hydropower Impact on Fish and Habitat; and ▪ Pesticides.

Program Sub-activity: Assessing Aquatic Ecosystems and Supporting Integrated Oceans Management; Mapping the Ocean Floor; Integrated Management of Scientific Data

Description: Providing advice, information and data management services to support the integrated management of oceans spaces.

Expected Results: Oceans management informed by sound ecosystem-based science and integrated multi-disciplinary data management.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Assist in the identification of ecologically and biologically significant areas, and the preparation of Ecosystem Overview Reports.	Guidelines for the identification of ecologically and biologically significant areas have been completed. Draft Ecosystem Overview Assessment Reports (EOARs) have been completed for all five LOMAs.
Improve the management of data to facilitate the effective use of historical data and the safeguarding of current and archived databases.	The preparation of EOARs for the five LOMAs required recovering significant amounts of historical data. Current and historical data used in the preparation of the EOARs were properly documented and archived to ensure ongoing availability.
Continue to build teams of multidisciplinary scientific expertise to support requirements associated with the ecosystem approach.	Issue-specific Geographic and Virtual Centres of Expertise were established to better integrate multi-disciplinary scientific expertise from both within and outside DFO. DFO initiated the recruitment of 12 to 15 multi-disciplinary research scientists to better reflect the skill sets required by an ecosystem approach. The development of a long-term human resource strategy that enhances collaboration and multi-disciplinary approaches has been initiated.

Program Sub-activity: Determining the Role of Oceans in the Global Climate; Assessing the Impact of Climate Variability on Aquatic Ecosystems

Description: Conducting research and monitoring that will enable prediction of ocean responses to climatic change, as well as the assessment of potential impacts on marine environments, ecosystems, fish and mammal populations.

Expected Results: Increased understanding of the role of oceans in global climate, as well as mitigation and adaptation strategies for the management of aquatic ecosystems in a period of climate variability and change.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Continue to engage in national and international co-ordinated research programs that provide valuable insight into the role of the Arctic and other oceans in climate and the impact of climate variability and change on aquatic ecosystems.	DFO's Science Program participated in several national and internationally co-ordinated research programs addressing climate-related issues. This research continues to yield new insights into the climate processes, and these insights have improved our understanding of the impacts of climate change and variability on marine ecosystems and our ability to forecast them.
Develop coupled ocean-atmosphere-ice models and climate models with embedded biology models.	DFO is collaborating with Environment Canada and other partners to develop operationally coupled ocean-atmosphere-ice models and climate models on time scales ranging from days to decades. DFO scientists have established themselves as world leaders in the development of the bio-geo-chemical models in these coupled systems.

DFO ON THE JOB ...

DFO Works to Ensure Healthy and Productive Aquatic Ecosystems for Oil and Gas Exploration

http://www.dfo-mpo.gc.ca/science/cooger-crepge/

The Centre for Offshore Oil and Gas Environmental Research (COOGER) is a virtual Centre of Expertise that co-ordinates research efforts into the environmental and oceanographic impacts of offshore petroleum exploration, production and transportation. COOGER is building on the existing expertise available at the Bedford Institute of Oceanography to address specialized issues in oil and gas research. COOGER is also focused on sharing expertise and resources in an international setting.

With respect to land-based oil and gas exploration, DFO conducted research in 2005 to provide science-based advice and decision-making in support of its regulatory responsibilities regarding the protection of fish and fish habitat in the proposed Mackenzie Gas Pipeline development. The Mackenzie Gas Pipeline has the potential to have significant environmental impacts on the Canadian North because of pipeline construction and related oil and gas activities. DFO reviews and provides recommendations on the Environmental Impact Statement and conducts scientific research to ensure adequate monitoring and assessment of potential negative environmental impacts of induced oil and gas activities. DFO scientists are conducting onshore and offshore studies, as well as research to address information gaps identified during community workshops. Studies are being conducted on marine and anadromous fish species' seasonal use of the Beaufort Sea and key migration routes. Beluga tagging studies are determining seasonal use of the Beaufort Sea and annual migration routes. Studies are also examining the potential impacts of offshore oil and gas activities on the abundance, denning and pupping behaviour and annual migration of Beaufort seals. DFO scientists are participating in the multi-agency Beaufort Sea Coastal habitat mapping program, examining all aspects of the marine ecosystem to identify areas that may require added precaution or avoidance during the planning of future offshore oil and gas development.

The CCG research vessel CCGS Hudson approaches the Hibernia oil rig offshore of Newfoundland

Section 3 — Supplementary Information

In this section:

- Overview
- Trend Analysis
- Financial Tables
- Information on Other Reporting Requirements

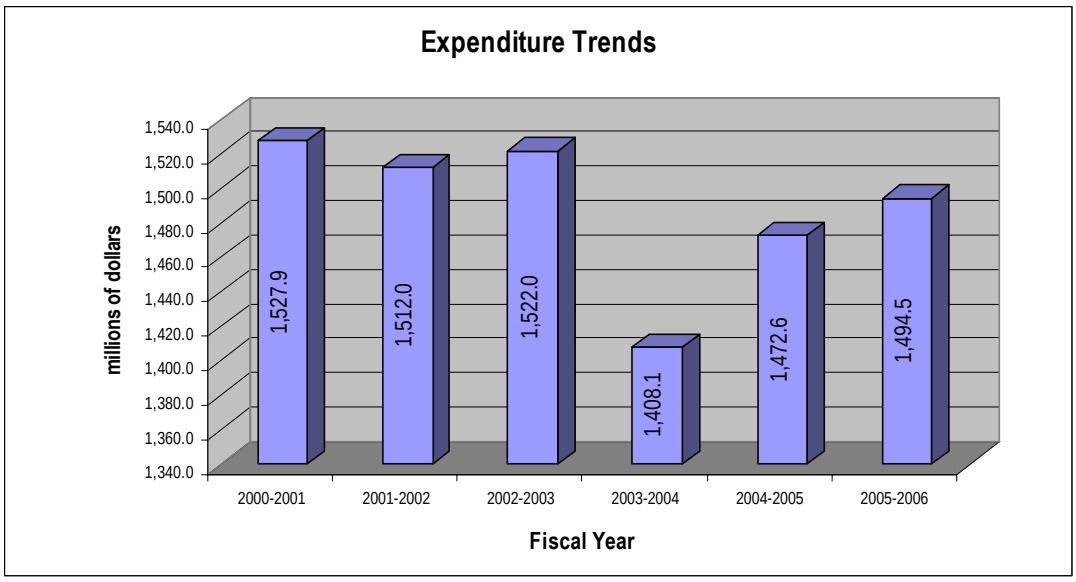
Overview

This section presents:

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

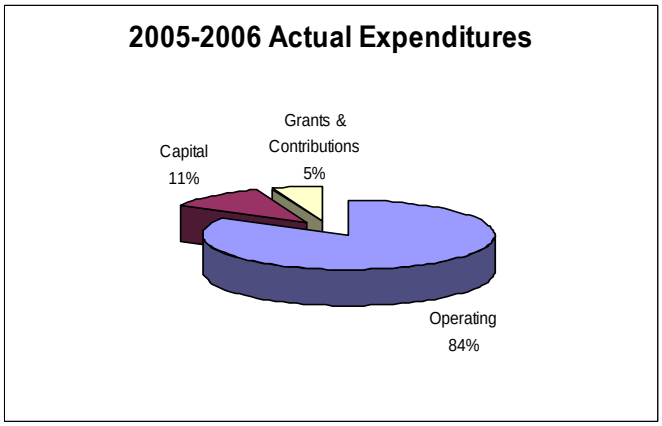
Trend Analysis

The Department's total actual spending for the 2005-2006 fiscal year was $1,494.5 million. This represents an increase of less than two percent from 2004-2005.



As the above graph illustrates, departmental expenditures show little change between the beginning and the end of the timeframe shown with the exception of the dip in expenditures in 2003-2004, which can be attributed largely to funding for the Fisheries Access Program that was carried forward to 2004-2005.

The chart that follows shows the breakdown of actual expenditures for 2005-2006. 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 *2005-2006 Estimates*;
- Total planned spending as reported in the *2005-2006 Report on Plans and Priorities;*
- Total authorities received during the fiscal year (i.e., through Main Estimates), as well as funding received from Governor General Special Warrants, Treasury Board Vote 5 (Government-wide contingencies) and Treasury Board Vote 10 (Government-wide initiatives); and
- Total actual spending as reported in the Public Accounts of Canada for 2005-2006.

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.

Comparison of Planned to Actual Spending by Program Activity

Table 1 provides a breakdown of the department's Main Estimates, planned spending at the time of tabling of the *Report on Plans and Priorities*, total final authorities (which include Special Warrants), and actual final expenditures by program activity.

Table 1: Comparison of Planned to Actual Spending (millions of dollars)

Program Activity	2004-2005	2005-2006			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Total Actuals
Safe and Accessible Waterways					
Canadian Coast Guard	609.6	597.0	599.3	654.8	611.3
Small Craft Harbours	114.9	102.1	102.4	107.0	118.3
Science	50.4	46.6	46.8	55.0	48.1
Total – Safe and Accessible Waterways	**774.9**	**745.7**	**748.5**	**816.8**	**777.7**
Sustainable Fisheries and Aquaculture					
Fisheries Management	358.9	368.0	369.0	393.6	364.8
Aquaculture	1.4	5.1	5.1	9.5	5.1
Science	185.6	174.5	175.2	195.5	184.6
Total – Sustainable Fisheries and Aquaculture	**545.9**	**547.6**	**549.3**	**598.6**	**554.5**
Healthy and Productive Aquatic Ecosystems					
Oceans Management	18.8	21.6	21.7	24.5	21.7
Habitat Management	71.6	66.4	66.5	75.1	69.2
Science	61.5	58.9	59.1	64.7	71.4
Total – Healthy and Productive Aquatic Ecosystems	**151.9**	**146.9**	**147.3**	**164.3**	**162.3**
Total	**1,472.6**	**1,440.1**	**1,445.1**	**1,579.7**	**1,494.5**

The planned spending adjustment in 2005-2006 was for the capital carry-forward of $5.0 million. At the time of tabling the *Report on Plans and Priorities*, there were certain capital projects that did not proceed as anticipated in the 2004-2005 fiscal year and as a result, the associated funding was moved to the 2005-2006 fiscal year. Subsequent to this, it became apparent that the funding was not required until 2006-2007. As a result, the Department has sought authority to include this item in the 2006-2007 Main Estimates.

Changes between Planned Spending and Actual Spending

The planned spending for the Department in 2005-2006 was $1,445.1 million and actual spending was $1,494.5 million, which represents an increase of $49.4 million. This change is primarily the result of the following increases and decreases:

- Increased spending requirements sought through the Governor General Special Warrants ($162.1 million), including funding to support core operational requirements such as Canadian Coast Guard operations, conservation and protection activities and scientific research ($53.7 million), and additional approvals the Department received to cover incremental personnel costs as a result of the negotiation of collective agreements ($40.2 million);

- Increased costs to the government for contributions and payments to the Public Service Superannuation Plan, the Canada and Quebec Pension Plans, Death Benefits, and the Employment Insurance accounts ($8.5 million);
- Reduced planned spending for program-specific operating budget carry-forwards ($30.4 million), which are in addition to the amount declared as not required during the Governor General Special Warrants ($23.5 million);
- Reduced spending requirements for grants and contributions ($28.5 million), which is mainly attributed to the retirement of fishing licences for transfer to Aboriginal groups ($24.8 million), and does not include funding reductions related to the Expenditure Review Marshall Response Initiative ($10.0 million);
- Reductions for major capital projects that did not proceed as planned ($21.5 million), including the movement of funding for the Air Cushioned Vehicle ($10.5 million) and the Automatic Identification System ($11.0 million) from fiscal year 2005-2006 to future years.
- Reductions for Expenditure Review decisions announced in Budget 2005 ($20.8 million), including the Marshall Response Initiative ($10.0 million), procurement savings ($2.2 million) and other reductions ($8.6 million);
- Imposed reduction of authority for the departmental revenue shortfall ($9.9 million); and
- Funds to offset Department of Justice legal fees ($6.0 million).

Further details regarding the changes between planned spending and total authorities, and total authorities and actual spending will be provided later in this document.

Resource Use by Program Activity

Table 2 presents Main Estimates, planned spending, total authorities, and actual spending by program activity and by vote.

Note the following in regard to operating expenditures:

- The 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 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 each program activity. See Table 6 for a complete description of respendable revenues.

Table 2: Resource Use by Program Activity, 2005-2006 (millions of dollars)

Program Activity	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Canadian Coast Guard						
Main Estimates	*512.4*	*130.1*	*4.6*	*647.1*	*50.1*	*597.0*
Planned Spending	*512.4*	*132.4*	*4.6*	*649.4*	*50.1*	*599.3*
Total Authorities	*578.9*	*120.5*	*5.5*	*704.9*	*50.1*	*654.8*
Actual	**547.5**	**101.6**	**5.4**	**654.5**	**43.2**	**611.3**
Small Craft Harbours						
Main Estimates	*77.0*	*24.7*	*0.5*	*102.1*	*—*	*102.1*
Planned Spending	*77.0*	*24.9*	*0.5*	*102.4*	*—*	*102.4*
Total Authorities	*75.8*	*30.7*	*0.5*	*107.0*	*—*	*107.0*
Actual	**81.8**	**36.0**	**0.5**	**118.3**	**—**	**118.3**
Science (Safe and Accessible Waterways)						
Main Estimates	*44.8*	*1.5*	*0.2*	*46.6*	*—*	*46.6*
Planned Spending	*44.9*	*1.7*	*0.2*	*46.8*	*—*	*46.8*
Total Authorities	*53.1*	*1.7*	*0.3*	*55.0*	*—*	*55.0*
Actual	**44.8**	***3.2***	***0.1***	**48.1**	**—**	**48.1**
Fisheries Management						
Main Estimates	*246.2*	*8.4*	*113.4*	*368.0*	*—*	*368.0*
Planned Spending	*246.2*	*9.4*	*113.4*	*369.0*	*—*	*369.0*
Total Authorities	*273.5*	*9.4*	*110.7*	*393.6*	*—*	*393.6*
Actual	**279.4**	***11.6***	**73.8**	**364.8**	**—**	**364.8**
Aquaculture						
Main Estimates	*4.9*	*0.2*	*0.0*	*5.1*	*—*	*5.1*
Planned Spending	*4.9*	*0.2*	*0.0*	5.1	*—*	*5.1*
Total Authorities	*9.2*	*0.3*	*0.0*	*9.5*	*—*	*9.5*
Actual	**4.9**	**0.2**	**0.0**	**5.1**	*—*	**5.1**
Science (Sustainable Fisheries and Aquaculture)						
Main Estimates	*168.1*	*5.7*	*0.6*	*174.5*	*—*	*174.5*
Planned Spending	*168.2*	*6.4*	*0.6*	*175.2*	*—*	*175.2*
Total Authorities	*187.1*	*7.7*	*0.7*	*195.5*	*—*	*195.5*
Actual	***176.3***	***7.9***	***0.4***	***184.6***	*—*	***184.6***
Oceans Management						
Main Estimates	*20.8*	*0.7*	*0.1*	*21.6*	*—*	*21.6*
Planned Spending	*20.8*	*0.8*	*0.1*	*21.7*	*—*	*21.7*
Total Authorities	*23.2*	*0.8*	*0.6*	*24.5*	*—*	*24.5*
Actual	**20.3**	**0.9**	**0.6**	**21.7**	*—*	**21.7**
Habitat Management						
Main Estimates	*64.2*	*2.2*	*0.0*	*66.4*	*—*	*66.4*
Planned Spending	*64.1*	*2.4*	*0.0*	*66.5*	*—*	*66.5*
Total Authorities	*71.7*	*2.2*	*1.2*	*75.1*	*—*	*75.1*
Actual	**66.1**	**2.6**	**0.5**	**69.2**	*—*	**69.2**
Science (Healthy and Productive Aquatic Ecosystems)						
Main Estimates	*56.6*	*1.9*	*0.4*	*58.9*	*—*	*58.9*
Planned Spending	*56.6*	*2.1*	*0.4*	*59.1*	*—*	*59.1*
Total Authorities	*62.3*	*2.0*	*0.4*	*64.7*	*—*	*64.7*
Actual	**67.4**	**3.9**	**0.1**	**71.4**	*—*	**71.4**
Total Main Estimates	**1,195.0**	**175.3**	**119.8**	**1,490.2**	**50.1**	**1,440.1**
Total Planned Spending	**1,195.1**	**180.3**	**119.8**	**1,495.2**	**50.1**	**1,445.1**
Total Authorities	**1,334.6**	**175.3**	**119.9**	**1,629.8**	**50.1**	**1,579.7**
Total Actual	**1,288.5**	**167.9**	**81.3**	**1,537.7**	**43.2**	**1,494.5**
Other Revenues and Expenditures						
Minus: Non-Respendable Revenue						
Planned Spending						*(50.8)*
Total Authorities						*(50.8)*
Actual						**(66.3)**
Cost of services provided by other departments						
Planned Spending						*93.1*
Total Authorities						*99.8*
Actual						**99.8**
Net Cost of the Program						
Planned Spending						*1,487.4*
Total Authorities						*1,628.7*
Actual						**1,528.0**

Changes between Planned Spending and Total Authorities

The planned spending for the department in 2005-2006 was $1,445.1 million; however, the Department concluded the year with the revised authority to spend $1,579.7 million. This represents an increase of $134.6 million from planned spending, which is explained by vote as follows.

Operating Expenditures (increase of $139.5 million)

The increase is mainly attributed to new spending requirements sought through the Governor General Special Warrants. This funding was required to support core operational requirements such as Canadian Coast Guard operations, conservation and protection activities and scientific research. Additional funding was also provided to cover incremental personnel costs as a result of the negotiation of collective agreements and increased costs associated with the mandatory Employee Benefit Plan adjustment. However, the new spending requirements outlined above were partially offset by reductions for Expenditure Review decisions, and the chronic revenue shortfall.

Capital Expenditures (decrease of $5.0 million)

At the time of tabling the *Report on Plans and Priorities*, there were certain capital projects that did not proceed as anticipated in the 2004-2005 fiscal year and as a result, the associated funding was moved to the 2005-2006 fiscal year. Subsequent to this, it became apparent that the funding was not required until 2006-2007. As a result, the Department has sought authority to include this item in the 2006-2007 Main Estimates.

In addition to the adjustment noted above, the Department also received a total of $14.5 million in capital funding through the Governor General Special Warrants. This funding was provided as follows:

- $11.0 million related to the support of core operational requirements such as Canadian Coast Guard operations, conservation and protection activities and scientific research;
- $2.5 million for the project definition for the acquisition of eight midshore patrol vessels for marine security in the St. Lawrence Seaway and on the Great Lakes; and
- $1.0 million for Preliminary Project Approval to proceed with the acquisition of two Offshore Fisheries Research vessels for the Canadian Coast Guard.

Note that this new funding was entirely offset by reductions for major capital projects that did not proceed as planned, including the movement of funding for the Air Cushioned Vehicle and the Automatic Identification System from fiscal year 2005-2006 to future years.

Grants and Contributions (increase of $0.1 million)

The increase of $0.1 million in grants and contributions was provided to the Department through Treasury Board Vote 5 (Government-wide contingencies) to support organizations associated with research, development, management and promotion of fisheries and ocean-related issues.

Changes between Total Authorities and Actual Spending

The majority of variances between planned and actual spending by program activity can often be explained by internal reallocations related to ship operations that occur throughout the year. For example, a ship may complete a trip for such varied purposes as science research, conservation and protection, and search and rescue; each of these purposes is related to a specific Program Activity. However, the planned spending for these activities may not be known at the time of the Main Estimates, thus requiring reallocations of expenditures throughout the year.

Overall, the total authorities for the department in 2005-2006 were $1,579.7 million; however, the Department concluded the year with actual spending of $1,494.5 million. This represents a decrease of $85.2 million from total authorities, which is explained by vote as follows.

Operating Expenditures (decrease of $39.3 million)

The decrease of $39.3 million between total authorities and actual expenditures is primarily due to program-specific carry-forwards ($30.4 million) and the funds to offset the Department of Justice legal

fees ($6.0 million). Note that the program-specific carry-forwards are in addition to the amounts declared as not required during the Governor General Special Warrants.

Capital Expenditures (decrease of $7.4 million)

The decrease of $7.4 million between total authorities and actual expenditures is the result of certain major capital projects that did not proceed as planned, including the movement of funding for the Air Cushioned Vehicle and the Automatic Identification System from fiscal year 2005-2006 to future years. Note that a portion of this funding was used to offset new spending requirements sought through the Governor General Special Warrants.

Grants and Contributions (decrease of $38.5 million)

The decrease of $38.5 million in grants and contributions is mainly attributed to the retirement of fishing licences for transfer to Aboriginal groups ($24.8 million) and funding reductions related to the Expenditure Review Marshall Response Initiative ($10.0 million).

Voted and Statutory Items

Table 3 summarizes the resources that Parliament approves for the Department through appropriation acts. A vote specifies the amount devoted to each category of expenditures. For Fisheries and Oceans Canada, these votes are for Operating expenditures (Vote 1), Capital expenditures (Vote 5), and Grants and Contributions (Vote 10). The items identified with an "S" are authorities 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 and does not require a separate appropriation act.

Table 3: Voted and Statutory Items, 2005-2006 (millions of dollars)

Vote		Main Estimates	Planned Spending	Total Authorities	Actual
1	Operating	1,029.4	1,029.4	1,160.5	1,121.8
5	Capital	175.3	180.3	175.3	167.9
10	Grants and Contributions	119.8	119.8	119.8	81.3
(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	115.5	115.5	122.4	122.4
(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	—	—	—	—
	Total	**1,440.1**	**1,445.1**	**1,579.7**	**1,494.5**

Services Received without Charge

Table 4 shows the net cost of the Department for 2005-2006.

Table 4: Services Received without Charge, 2005-2006 (millions of dollars)

Total Actual Spending		**1,494.5**
Plus: Services received without charge		
Accommodation provided by Public Works and Government Services Canada		41.6
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat (excluding revolving funds)		54.3
Worker's compensation coverage provided by Social Development Canada		1.6
Salary and associated expenditures of legal services provided by Justice Canada		2.4
	Sub-total	99.8
Less: Non-Respendable Revenue		66.3
Net Cost of the Department		**1,528.0**

Sources of Respendable and Non-respendable Revenue

Table 5 provides the Department's actual revenues by program activity for 2004-2005 and 2005-2006, as well as planned revenues and total authorities for 2005-2006.

Table 5: Respendable and Non-respendable Revenue by Program Activity, 2005-2006 (millions of dollars)

Program Activity	Actual Revenues 2004-2005	Planned Revenues 2005-2006	Total Authorities 2005-2006	Actual Revenues 2005-2006
Respendable Revenue				
Canadian Coast Guard				
Maintenance Dredging Services Tonnage Fees in the St. Lawrence Shipping Channel	4.6	4.6	4.6	4.3
Marine Navigation Services Fees	28.4	27.8	27.8	32.1
Coast Guard Radio Tolls	0.0	0.1	0.1	0.0
Employee Deductions for Employee Housing	0.0	0.1	0.0	—
Icebreaking Services Fee	4.8	13.8	13.8	5.8
Canadian Coast Guard College	1.8	3.7	3.7	0.5
Sundries	0.7	—	0.0	0.4
Total Respendable Revenue	**40.4**	**50.1**	**50.1**	**43.2**
Non-respendable Revenue*				
Canadian Coast Guard				
Aids to Navigation in the Deep Water Channel between Montreal and Lake Erie	—	0.2	0.2	—
Rental of Land, Buildings and Equipment	—	0.2	0.2	—
Miscellaneous	—	—	—	0.1
	—	**0.4**	**0.4**	**0.1**
Small Craft Harbours				
Small Craft Harbour Revenue	—	1.4	1.4	1.6
	—	**1.4**	**1.4**	**1.6**
Science – Safe and Accessible Waterways				
Sale of Charts and Publications	—	2.1	2.1	2.1
Technology Transfer Licences	—	0.5	0.5	0.7
		2.6	**2.6**	**2.7**
Fisheries Management				
Commercial Licenses	—	45.9	45.9	45.2
Rental of Land, Buildings and Equipment	—	0.3	0.3	0.2
	—	**46.2**	**46.2**	**45.4**
Science – Sustainable Fisheries and Aquaculture				
Technology Transfer Licences	—	—	—	0.1
	—	**—**	**—**	**0.1**
Habitat Management				
Rental of Land, Buildings and Equipment	—	0.1	0.1	0.1
	—	**0.1**	**0.1**	**0.1**
Science – Healthy and Productive Aquatic Ecosystems				
Technology Transfer Licences	—	0.1	0.1	—
	—	**0.1**	**0.1**	—
Sub-total Non-Respendable Revenue	**—**	**50.8**	**50.8**	**49.9**
Unplanned Revenue				
Internal Revenues	—	—	—	0.6
Return on Investments	—	—	—	0.1
Refunds/Adjustments of Previous Year's Expenditures	—	—	—	3.1
Sale of Surplus Crown Assets	—	—	—	0.9
Sale of Garden City	—	—	—	5.0
Miscellaneous (Seizures and Forfeitures, Fines and Sundries)	—	—	—	6.6
Sub-total Unplanned Revenue	**—**	**—**	**—**	**16.4**
Total Non-Respendable Revenue	**—**	**50.8**	**50.8**	**66.3**
Total Revenues	**—**	**100.9**	**100.9**	**109.6**

* Because of the change in reporting structure, comparative data is unavailable. Please see the 2004-2005 *Departmental Performance Report* for historical information.

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 the CCG for marine navigation services, icebreaking services, and the management of the maintenance dredging program for the St. Lawrence Shipping Channel on behalf of industry. The Department is permitted 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 2.

Non-respendable revenue refers to funds collected for fishing licences, hydrographic charts, and various other departmental products and services. The Department does not have the authority to respend these revenues.

The unplanned revenues include revenues collected from other government departments, 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 remain relatively stable during the period shown. The amount of respendable revenue collected consistently falls below the planned revenue collection of $50.1 million. Similar to previous years, the respendable revenue shortfall is primarily due to the shortfall in Icebreaking Services Fees. The planned revenues for Icebreaking Services Fees are based on a fee structure that has only been partially implemented. The revenue collected for Icebreaking Services Fees was $8.0 million lower than planned. However, this shortfall was partially offset by higher collections than planned in other areas.

Resource Use by Branch or Sector

Table 6 presents planned and actual spending by program activity and organization.

Table 6: Resource Use by Program Activity and Organization, 2005-2006 (millions of dollars)

	CCG	Small Craft Harbours	Fisheries and Aquaculture Management	Oceans and Habitat Management	Science	Program Enablers	Total
Safe and Accessible Waterways							
Canadian Coast Guard							
Planned Spending	*497.9*	*—*	*—*	*—*	*—*	*101.4*	*599.3*
Actual Spending	*507.4*	*—*	*—*	*—*	*—*	*103.9*	*611.3*
Small Craft Harbours							
Planned Spending	*—*	*86.1*	*—*	*—*	*—*	*16.3*	*102.4*
Actual Spending	*—*	*95.8*	*—*	*—*	*—*	*22.5*	*118.3*
Science							
Planned Spending	*—*	*—*	*—*	*—*	*36.5*	*10.3*	*46.8*
Actual Spending	*—*	*—*	*—*	*—*	*37.5*	*10.6*	*48.1*
Sustainable Fisheries and Aquaculture							
Fisheries Management							
Planned Spending	*—*	*—*	*313.8*	*—*	*—*	*55.2*	*369.0*
Actual Spending	*—*	*—*	*305.3*	*—*	*—*	*59.5*	*364.8*
Aquaculture							
Planned Spending	*—*	*—*	*4.0*	*—*	*—*	*1.1*	*5.1*
Actual Spending	*—*	*—*	*4.0*	*—*	*—*	*1.1*	*5.1*
Science							
Planned Spending	*—*	*—*	*—*	*—*	*137.2*	*38.0*	*175.2*
Actual Spending	*—*	*—*	*—*	*—*	*143.0*	*41.6*	*184.6*
Healthy and Productive Aquatic Ecosystems							
Oceans Management							
Planned Spending	*—*	*—*	*—*	16.9	*—*	*4.8*	*21.7*
Actual Spending	*—*	*—*	*—*	16.0	*—*	*5.7*	*21.7*
Habitat Management							
Planned Spending	*—*	*—*	*—*	*52.0*	*—*	*14.5*	*66.5*
Actual Spending	*—*	*—*	*—*	*53.7*	*—*	*15.5*	*69.2*
Science							
Planned Spending	*—*	*—*	*—*	*—*	*46.4*	*12.7*	*59.1*
Actual Spending	*—*	*—*	*—*	*—*	*59.7*	*11.7*	*71.4*
Total Planned Spending	**497.9**	**86.1**	**317.8**	**68.9**	**220.1**	**254.3**	**1,445.1**
Total Actual Spending	**507.4**	**95.8**	**309.3**	**69.7**	**240.2**	**272.1**	**1,494.5**

Details on Project Spending

Table 7 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 7: Details on Project Spending, 2005-2006 (millions of dollars)

Program Activity/ Province/ Project	Current Estimated Total Cost	Actual Spending 2003-2004	Actual Spending 2004-2005	Main Estimates 2005-2006	Planned Spending 2005-2006	Total Authorities 2005-2006	Actual Spending 2005-2006
Canadian Coast Guard							
Quebec							
Acquisition of Air Cushion Vehicle (S-EPA)	27.9	—	0.1	10.7	10.7	0.2	0.2
Multi-Province							
Offshore Fisheries Research Vessel (I-PPA)	187.0	—	—	—	—	0.3	0.3
Mid-Shore Patrol Vessels (I-PPA)	146.5	—	—	—	—	0.6	0.6
National Communications Control System – Marine Communications and Traffic Services Modernization (I-PPA)	42.1	0.2	—	2.0	2.0	0.3	0.3
Search and Rescue Lifeboat Replacement - Phase II (S-EPA)	41.1	13.0	17.6	8.9	8.9	5.3	5.3
Automatic Identification System – Security Funding (S-EPA)	20.0	—	1.0	12.0	12.0	1.0	1.0
Program Enablers – Information Management and Information Technology*							
Multi-Province							
Regional Informatics Infrastructure Replacement (S-EPA)	19.5	1.0	—	2.2	2.2	3.1	3.1
Electronic Knowledge Management Environment Systems (S-EPA)	7.6	0.4	1.4	0.7	0.7	0.7	0.7
IMIT – Security Enhancements (S-EPA)	6.8	—	3.2	1.3	1.3	1.3	1.3

* The listed projects exceed the Department's delegated approval authority for Informatics projects. As part of the Department's Program Enabler function, Informatics projects are conducted on behalf of all program activities. The three Informatics projects are listed separately instead of allocating the annual costs of each project across all nine program activities, which would dilute and create repetition in the information presented.

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.

Transfer Payments

The following transfer payment programs, in excess of $5 million, were managed during 2005-2006:

- Aboriginal Aquatic Resources and Oceans Management Program;
- Aboriginal Fisheries Strategy; and
- Fisheries Access Program.

Further information on these Transfer Payment Programs can be found at http://www.dfo-mpo.gc.ca/dpr2005-2006/payprog-progpai_e.htm.

Financial Statements

Financial statements are prepared in accordance with accrual accounting principles. The unaudited supplementary information presented in the financial tables in the *Departmental Performance Report* is prepared on a modified cash basis of accounting to be consistent with appropriations-based reporting. Note 3 on pages 10-12 of the financial statements reconciles these two accounting methods.

DFO's financial statement can be found at http://www.dfo-mpo.gc.ca/dpr2005-2006/financial-etat_e.htm.

Information on Other Reporting Requirements

User Fee and External Fee Reporting

For the purposes of Table 8, the Department collects two types of fees: Regulatory Service (R) and Other Goods and Services (O).

Over the course of 2005-2006, the Department has continued the work of the External Charging Review. DFO has identified which of its external charges are "user fees" and subject to the *User Fees Act*. Accordingly, those user fees, for which revenues were collected in 2005-2006, are reported in Table 8. During the review, DFO also determined that its user fees are subject to the Treasury Board Policy on Service Standards for External Fees; therefore, these same activities are also addressed in Table 9. The remaining DFO external charging activities largely take the form of negotiated contractual arrangements, and associated revenues continue to be accounted for in Table 5: Respendable and Non-respendable Revenue by Program Activity, 2005-2006 (millions of dollars). For more information on the External Charging Review, please see the 2004-2005 *Report on Plans and Priorities*.

During 2005-2006, DFO did not introduce any new user fees, nor did the Department increase any existing user fees.

Table 8: User Fees (thousands of dollars)

User Fee	Fee Type*	Fee Setting Authority	Date Last Modified	2005-2006					Planning Years		
				Forecast Revenue	Actual Revenue	Full Cost	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue	Estimated Full Cost
Maintenance Dredging Services Tonnage Fee[1] ▪ Intended to recover from commercial vessels the total direct costs incurred by CCG to manage maintenance dredging services in the St. Lawrence Shipping Channel. Services provided consist of the management of the maintenance dredging program for the St. Lawrence Shipping Channel.	O	Section 47 of the *Oceans Act*	June 2003	4,600	4,342	4,342	**	**	2006-2007 2007-2008 2008-2009	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[2]	27,817	32,080	211,349[3]	**	**	2006-2007 2007-2008 2008-2009	27,817 27,817 27,817	211,349 211,349 211,349
Marine Communications and Traffic Services/Coast Guard Radio Communications Charges ▪ Rates charged for person-to-person communications by radio-telephone or radio-telegram from ship to shore or from shore to ship.	O	Section 19 of the *Financial Administration Act*	1994	75	23	Under development	**	**	2006-2007 2007-2008 2008-2009	100 100 100	Under development
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	13,824	5,818	100,301[4]	**	**	2006-2007 2007-2008 2008-2009	13,824 13,824 13,824	100,301 100,301 100,301
Hydrography ▪ Sale of charts and publications	O	*Financial Administration Act*	1996	2,100	2,063	31,700	**	**	2006-2007 2007-2008 2008-2009	2,100 2,000 2,000	31,700 31,700 31,700

User Fee	Fee Type*	Fee Setting Authority	Date Last Modified	2005-2006					Planning Years		
				Forecast Revenue	Actual Revenue	Full Cost	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue	Estimated Full Cost
Fisheries Management ▪ Commercial fishing licence fees	O (Access Fees)	Sections 7 and 8 of the *Fisheries Act*	1995	39,500	38,776	Access fee; reflects the value of the privilege/ benefit of access to a public resource, not the costs of provision of service.	**	**	2006-2007 2007-2008 2008-2009	39,500 39,500 39,500	Access fee; reflects the value of the privilege/benef it of access to a public resource, not the costs of provision of service.
Fisheries Management ▪ Recreational fishing licence fees	O (Access Fees)	Sections 7 and 8 of the *Fisheries Act*	1996	5,100	5,206	Access fee; reflects the value of the privilege/ benefit of access to a public resource, not the costs of provision of service.	**	**	2006-2007 2007-2008 2008-2009	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.
Fisheries Management ▪ Pacific Salmon Conservation Stamp	O	Sections 7 and 8 of the *Fisheries Act*	1995	1,300	1,389	See footnote[5]	**	**	2006-2007 2007-2008 2008-2009	1,500 1,500 1,500	See footnote [5]
Access to Information ▪ Fees charged for the processing of Access requests filed under the *Access to Information Act*	O	*Access to Information Act*	1992	11.4	11.4	2,335.7[6]	**	**	2006-2007 2007-2008 2008-2009	12.5 13.6 14.8	2,569 2.802 3,036

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

"Since the inception of the *User Fees Act*, DFO has not introduced any new "user fee" proposals that would trigger the Act's performance standard-related provisions. Accordingly, there are none to report for the related columns "Performance Standard" and "Performance Result". DFO does have service standards for a number of its external charging activities and this information is outlined in Table 9.

[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 Quebec 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. Full cost figures are 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).

[2] The purpose of this modification was to correct an unintended rate disparity in the current Fee Schedule.

[3] Represents the full cost of services to all beneficiaries, not the full cost that is attributable to fee-paying commercial interests based on the demand for these services by fee-paying commercial interests.

[4] Represents the full cost of services to all beneficiaries, not the full cost that is attributable to fee-paying commercial interests based on the demand for these services by fee-paying commercial interests.

[5] The salmon conservation stamp fee represents a combination of the value of user access to a public resource, recognition of the benefits to recreational anglers of salmonid enhancement programming delivered by DFO, and the cost of contributions 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.

[6] This figure includes amounts for salaries and Operating and Maintenance for the Access to Information and Privacy Secretariat as well as a calculation of costs reported by Program areas for search and retrieval of records.

Table 9: Policy on Service Standards for External Fees

External Fee	Service Standard[1]	Performance Result	Stakeholder Consultation
Maintenance Dredging Services Tonnage Fee	Generally, dredging is used to maintain depths on nautical maps and to ensure the optimal and secure utilization of the St. Lawrence waterway 12 months a year, factoring in environmental constraints and regulations in effect, in order to ensure sustainable development, fisheries and aquaculture.	In 2005-2006, the St. Lawrence waterway was maintained according to expectations. Mariners were also informed as quickly as possible of potential obstacles and shoals in the St. Lawrence waterway pending their dredging.	A consultation with the industry is provided for in the event that one of the parties involved wishes to make a change to the order in effect. The order includes a clause that allows the fees to be indexed according to the Consumer Price Index.
Marine Navigation Services Fee[1]	Short Range Aids to Navigation identified as required to support commercial shipping in Canadian waters are operational not less than 99% of the time in accordance with established levels of service.	Short Range Aids to Navigation identified as required to support commercial shipping in Canadian waters were operational not less than 99.0% of the time in accordance with established levels of service.	The Marine Navigation Services Fee's rates and application were developed in co-operation with the commercial shipping industry in 1998.
	All marine traffic and communications management identified as required to support commercial shipping in Canadian waters are available from the Canadian Coast Guard's Marine Communications and Traffic Services Centres in accordance with established levels of service.	All marine traffic and communications management identified as required to support commercial shipping in Canadian waters were available from the Canadian Coast Guard's Marine Communications and Traffic Services Centres in accordance with established levels of service.	Canadian Coast Guard officers in the region and from Headquarters liaise on a routine and regular basis with commercial shipping clients to ensure operational efficiency and effectiveness respecting the Aids to Navigation Program and the Marine Communications and Traffic Services Program.
Icebreaking Services Fee[2]	All ice information and routing services in support of commercial shipping in Canadian waters are available from Canadian Coast Guard Ice Operations Centres in accordance with the Icebreaking Program's levels of service.	All ice information and routing services in support of commercial shipping in Canadian waters were available from Canadian Coast Guard Ice Operations Centres in accordance with the Icebreaking Program's levels of service.	The Icebreaking Services Fee's transit-based structure, rate and application were developed in 1998 by an Industry/Canadian Coast Guard Working Group that rejected a fee based on direct service. The Icebreaking Services Fee has remained unadjusted since then.
	All requests for route assistance and commercial harbour breakouts in support of commercial shipping in Canadian waters will be responded to in accordance with established Icebreaking Program levels of service.	All requests for route assistance and commercial harbour breakouts in support of commercial shipping in Canadian waters were responded to in accordance with established Icebreaking Program levels of service.	Canadian Coast Guard officers in the region and from Headquarters liaise on a routine and regular basis with commercial shipping clients respecting icebreaking operations. This includes regular meetings in each region in the lead-up to each ice season, and a post mortem meeting at the end of each ice season.
Marine Communications and Traffic Services — Canadian Coast Guard Radio Communications Charges[3]	Ship to shore, and shore to ship communications requests are facilitated in accordance with established Marine Communications and Traffic Services levels of service.	Ship to shore, and shore to ship communications were facilitated in accordance with Marine Communications and Traffic Services levels of service.	The fees in place were established in 1994 and have remained unadjusted since then.

External Fee	Service Standard[1]	Performance Result	Stakeholder Consultation
Hydrography — Sale of charts and publications	The Canadian Hydrographic Service is in the process of developing comprehensive level of service standards for the delivery of its charts and publications program.[4]	Standards in development	Consultations are ongoing to determine appropriate levels of service. Discussions have been held with the Level of Service Advisory Committee and also at the Canadian Marine Advisory Council.
Commercial fishing licence fees	None[5]	None[5]	None[5]
Recreational fishing licence fees	None[5]	None[5]	None[5]
Pacific Salmon Conservation Stamp	See footnote[6]	See footnote[6]	See footnote[6]
Fees charged for the processing of Access requests filed under the *Access to Information Act*	Response provided within 30 days following receipt of request; the response time may be extended pursuant to section 9 of the *Access to Information Act*. Notice of extension to be sent within 30 days after receipt of request. The *Access to Information Act* provides fuller details: http://laws.justice.gc.ca/en/A-1/index.html	Statutory deadlines were met 91% of the time.	The service standard is established by the *Access to Information Act* and the *Access to Information Regulations*. Consultations with stakeholders were undertaken by the Department of Justice and the Treasury Board Secretariat for amendments done in 1986 and 1992.

[1] The Marine Navigation Services Fee is intended to recover a portion of the costs incurred by the Canadian Coast Guard to make Short Range Aids to Navigation and Vessel Traffic Services available to commercial shipping in Canadian waters.

[2] The Icebreaking Services Fee is intended to recover a portion of the costs incurred by the Canadian Coast Guard to make certain icebreaking services available to commercial shipping in Canadian waters during the winter ice season.

[3] Nationally, the CCG facilitated 15 radio telegrams, and 1085 ship to shore/shore to ship telephone calls. All telegrams and calls were successfully placed via CCG personnel. The cessation of the Canadian Coast Guard commercial public correspondence service has commenced as of December 31, 1999, in selected areas, based upon the demand for the service and the availability of alternate service delivery methods.

[4] The draft Levels of Service (LOS) includes 15 measures with associated performance measures. When finalized, the LOS will provide a mechanism for determining if Canadian Hydrographic Service is providing the appropriate level of service to its clients. Pilot studies are being conducted for a number of performance measures included in the LOS.

[5] Under DFO's External Charging Review, the issue of providing service standards for commercial and recreational fishing licence fees was examined. Both categories of fees are intended to reflect the value of the privilege of access to a valuable public natural resource (i.e., fish). These fees and associated revenues have no links to cost recovery — not for the provision of the licence, nor for costs incurred by DFO for fisheries management. As there is no service, nor costs linked to a fee for service, there are no service or performance standards for these fees. The issue of service standards will need to be addressed in consultation with stakeholders and in the context of DFO's ongoing policy development exercise, Fisheries Renewal. Decisions that would come out of this broad and complicated strategic initiative will inform what role service and performance standards should play for commercial and recreational fishing licence fees.

[6] The salmon conservation stamp fee represents a combination of the value of user access to a public resource, recognition of the benefits to recreational anglers of salmonid enhancement programming delivered by DFO, and the cost of contributions 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.

Major Regulatory Initiatives

Table 10 provides performance-measurement criteria and results achieved for regulatory initiatives.

Table 10: Major Regulatory Initiatives, 2005-2006

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/2005-108)
		Ontario Fishery Regulations, 1989	(SOR/2005-249) (SOR/2005-406)
		Quebec Fishery Regulations, 1990	(SOR/2005-269)
		Manitoba Fishery Regulations, 1987	(SOR/2006-119)
Nunavut Fishery Regulations Development of fishery regulations for the Nunavut Territory	Regulate fishing in the Nunavut territory	Under legal review	Regulatory development ongoing
***Fisheries Act* and Related Regulations**[1] Renewal of old legislation	Modernize legislation	Passage of bill and making of regulations	Work is ongoing
Marine Protected Areas (MPAs) 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 October 19, 2005 (Basin Head, Eastport and Gilbert Bay MPAs)	(SOR/2005-293) (SOR/2005-294) (SOR/2005-295)
Marine Protected Areas Ongoing identification of other Areas of Interest	Establish a network of MPAs under the Oceans Action Plan	Increased protection of specific areas through restrictions in access and usage	Regulatory development under way
Species at Risk Act* (SARA) 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	19 aquatic species considered for listing (9 listed, 4 not listed, 6 returned to Committee on the Status of Endangered Wildlife in Canada for further consideration)
		Recovery strategies developed under SARA	Numerous recovery strategies under development
Contraventions Regulations	*Maritime Provinces Fishery Regulations* – decriminalize offences, reduce and simplify prosecutions	New contraventions schedules added to *Contraventions Regulations*	(SOR/2005-111)

[1] Bill C-43 died on the Order Paper on May 23, 2004; and Bill C-52 died on the Order Paper on November 29, 2005.

Regulations	Expected Results	Performance Measurement Criteria	Results Achieved
Fishing and Recreational Harbours Regulations	Continuation of the harbour divestiture process	93 recreational harbours divested since last report	(SOR/2006-118)
Seismic Mitigation Regulations	Minimize or eliminate the risk of physical damage, destruction or disturbance to key components of marine ecosystems at potential risk from seismic surveys	Marine environmental quality requirements and standards to mitigate potential impacts on the marine environment and protect marine environmental quality	Regulatory development and consultations under way
Fish Health Protection Regulations	Joint decision between DFO and Canadian Food Inspection Agency to amend *Health of Animals Regulations* to include fish health protection	Fish health protection provisions to meet relevant international standards for better protection of health of Canadian aquatic resources	Decision to amend *Health of Animals Regulations* under Canadian Food Inspection Agency will respond to fish health protection issues
Marine Mammal Regulations	Regulate marine mammal watching activities	Better protection of marine mammals and human safety by regulation of marine mammal watching activities	Development of new provisions to the *Marine Mammal Regulations* and consultations with other government departments is ongoing

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 and internal evaluations completed in 2005-2006 are also presented.

Table 11: Responses to Parliamentary Committees, 2005-2006

Report	Link to Report and Government Response
Reports tabled by the Standing Committee on Fisheries and Oceans during 2005-2006	
Aquatic Invasive Species The Standing Committee report is a follow-up to its 2003 report on aquatic invasive species. The current report contains many of the same recommendations as the 2003 report. Among these is a recommendation to submit an annual report to Parliament on aquatic invasive species. The Department will continue to use existing opportunities for reporting on commitments including using the *Report on Plans and Priorities* and the *Departmental Performance Report*. Aquatic invasive species will be reported under Sustainable Fisheries and Aquaculture consistent with the Department's Program Activity Architecture.	Report: http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=8978&Lang=1&SourceId=119296 Government Response: http://www.dfo-mpo.gc.ca/communic/reports/aspe_espa20050609/gr_aquaspe_e.htm
Northern Cod: A Failure of Canadian Fisheries Management The Standing Committee tabled this report at the end of the 38th Parliament and re-tabled it at the beginning of the 39th Parliament. Largely based on hearings the Committee held in Newfoundland and Labrador at the end of September 2005, this report contains 14 recommendations. The recommendations call for a reform to current fisheries management practices to allow for a more collaborative decision-making process; a re-opening of a limited inshore commercial fishery; increased investments in cod science; re-stating its support for a United Nations resolution on destructive fishing practices; and amending the *Fisheries Act* to deal with licence violations sanction	Report: http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=8978&Lang=1&SourceId=137917 Government Response: Response to be tabled in the House of Commons by mid-September 2006.

Report	Link to Report and Government Response
appeals through arms-length tribunals. The Government must table its response to this report by September 18, 2006.	
Report tabled by the Standing Senate Committee on Fisheries and Oceans during 2005-2006	
Interim Report on Canada's New and Evolving Policy Framework for Managing Fisheries and Oceans The Standing Senate Committee tabled this report on Thursday, May 19, 2005. The interim report was a thumbnail account of the work in progress for the Committee's ongoing study into the same topic. The report touched on a variety of areas related to fisheries management including individual transferable quotas (ITQs), modernization of the *Fisheries Act*, trust agreements, the Pearse-McRae Report and more. The report contained 9 recommendations which called for the Government of Canada to provide DFO with adequate funding; for DFO to take into account socio-economic impacts of its major decisions; for DFO to put on hold any plans it may have to introduce ITQs for Pacific salmon until broad consultations were undertaken; for DFO to respond to recommendations made in the Joint Task Group on Post-Treaty Fisheries report; for DFO to explain and elaborate on the procedures to ensure communities and others have the opportunity to participate in decision-making processes; for DFO to commission socio-economic impact studies whenever ITQs are instituted; for DFO to work collaboratively on how it intends to prevent trust agreements; for DFO to commission a study on an owner-operator policy in the Pacific commercial fishing industry; and, for DFO to fund the West Coast Vancouver Island Aquatic Management Board over the next five years. The Government tabled its response to this report on November 25, 2005.	Report: http://www.parl.gc.ca/common/Committee_SenRep.asp?Language=E&Parl=38&Ses=1&comm_id=7 Government Response: http://www.dfo-mpo.gc.ca/communic/reports/fmr-rgp/fmr-rgp_e.htm

Table 12: Responses to the Auditor General, 2005-2006

Recommendation Raised	Link to Chapter and Response
2005 Report of the Commissioner of the Environment and Sustainable Development	
Chapter 1 — Canada's Oceans Management Strategy #1.30 Fisheries and Oceans Canada should, through its Treasury Board submission on the Oceans Action Plan Phase I, have Canada's Oceans Action Plan recognized and managed as a government horizontal initiative. Consistent with the *Oceans Act*, Fisheries and Oceans Canada, in collaboration with participating departments, should lead and facilitate the development and implementation of action plan initiatives. Working with the Treasury Board Secretariat, the Department should also co-ordinate the reporting of results achieved.	2005 CESD 1.30
Chapter 1 — Canada's Oceans Management Strategy #1.57 Fisheries and Oceans Canada should finalize and implement its operational guidance for integrated management planning, including marine protected areas, in the five priority ocean areas; and plan and manage its resources to ensure that the oceans commitments and targets in the *Report on Plans and Priorities*, the *2005–2006 Sustainable Development Strategy*, and the 2005–2010 Strategic Plan will be met. This should also include oceans commitments specific to the Department that were made at the 2002 World Summit on Sustainable Development.	2005 CESD 1.57
Chapter 1 — Canada's Oceans Management Strategy #1.68 Fisheries and Oceans Canada should finalize and implement an accountability framework for its oceans management activities; provide sufficient relevant and reliable financial and other performance information in its *Report on Plans and Priorities* and *Departmental Performance Report* to allow Parliament to hold the Department to account for its oceans-management activities; and improve communications to the public, including periodic information on the state of the oceans.	2005 CESD 1.68

Internal Audits Completed in 2005-2006

- Contribution to the Pacific Salmon Foundation
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/65175_e.pdf

- Contribution to the Yukon Salmon Sub-Committee
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/ysc_e.pdf
- Value for Money Audit of the Fisheries Access Program
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/60250_e.htm
- Departmental Occupational Health & Safety Management Control Framework
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/65153_e.pdf
- Budget, Utilization and Reporting of Funding for the Program for Sustainable Aquaculture
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/65143a_e.pdf
- Travel and Hospitality
  http://www.dfo-mpo.gc.ca/communic/CREAD/audits/05-06/65179_e.pdf
- Management Control Framework for Grants and Contributions
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/65154_e.pdf
- Activities of the Yukon Transboundary Rivers Area Office
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/6b007_e.htm
- Expenses Relating to the Canadian Coast Guard Auxiliary Annual Meeting
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/ccga_audit_e.pdf
- Travel Expenses Relating to the 27th Annual Meeting of the Northwest Atlantic Fisheries Organization
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/nafo_audit_e.pdf

Evaluations Completed in 2005-2006

- Contribution to the Pacific Salmon Foundation
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/65175_e.pdf
- Contribution to the Yukon Salmon Sub-Committee
  http://www.dfo-mpo.gc.ca/communic/cread/audits/05-06/ysc_e.pdf
- Program Integrity – Search and Rescue Component
  http://www.dfo-mpo.gc.ca/communic/cread/evaluations/05-06/60251_e.pdf
- Program Integrity – Conservation and Protection of Fisheries Resources
  http://www.dfo-mpo.gc.ca/communic/cread/evaluations/05-06/60251_b_e.pdf
- Marshall Response Initiative
  http://www.dfo-mpo.gc.ca/communic/cread/evaluations/05-06/65138_e.htm

Sustainable Development Strategy

The Sustainable Development Strategy (SDS) is a core element of departmental planning and reporting as it outlines objectives and commitments for incorporating sustainable development into our work. It provides Canadians with an accountability framework, while offering our employees a practical working document that will assist them in achieving the results we are committing to as a department.

DFO remains well positioned to deliver on its three main goals as highlighted in its 2005-2006 SDS: Sustainable Programs, Good Governance and Enhanced Partnerships, and Sustainable Operations. Monitoring of specific progress and achievements is currently being conducted, as part of the review of identified indicators and targets in the 2005-2006 SDS. Reporting on performance will be done through a report card included in the next SDS, which will be tabled in Parliament in December 2006.

http://www.dfo-mpo.gc.ca/sds-sdd2005-06/Index_e.htm

Internal and external consultations have been conducted for the 2007-2009 SDS to help guide the development of achievable targets and the identification of concrete measures. The work done over the past year on a strengthened accountability framework is part of an ongoing discussion about sustainable development in our everyday process of doing business, and is also ensuring that DFO maintains clear linkages between the SDS and its departmental Strategic Plan outcomes — Safe and Accessible Waterways, Sustainable Fisheries and Aquaculture, and Healthy and Productive Aquatic Ecosystems

Over the past year, DFO also worked closely with Environment Canada and other federal departments to develop *Coordinating the Fourth Round of Departmental Sustainable Strategies.* As recommended

by the Commissioner of the Environment and Sustainable Development, these federal guidelines will facilitate a co-ordinated approach and increase coherence in the federal reporting on sustainable development commitments.

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 issue contracts that are within their delegated authorities and assist in the development of procurement policies, procedures and strategies. 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 2005-2006, DFO used credit cards to pay for $87 million of its low dollar value and standing offer purchases.

http://www.dfo-mpo.gc.ca/PD-CP/index_e.asp

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

In 2005-2006, 4,533 contracts in excess of $10,000 were issued by DFO or on its behalf by PWGSC. These contracts had a total value of almost $218 million and an average contract value of $48 thousand. The largest contract was for the repair of ships and vessels and totalled almost $4.6 million.

The Centre of Excellence — Procurement entered its second full year of operation. The mandate of the Centre is:

- To support and promote modern management skills and techniques in procurement;
- To identify opportunities and modify current business practices to reduce departmental procurement costs; and
- To provide strategic advice and support as to how the Department can optimize its methods of acquisition for common commodities nationally or regionally.

Consolidation of procurements for desktop computing devices, network computers and wireless devices has resulted in savings of $3.3 million to date.

The work done by the Centre has enabled DFO to learn valuable lessons that are proving to be useful as the Department continues to implement "The Way Forward", a PWGSC initiative designed to deliver services, including procurement, 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.

On April 1, 2005, the Canadian Coast Guard officially became a Special Operating Agency to bring into effect a new organizational and structural dimension with the aim of enhancing its performance for the benefit of Canadians. Under this new status, CCG has continued to pursue new initiatives, such as

Marine Aids Modernization and Fleet Renewal initiatives, that will result in more effective service to stakeholders (see CCG Rejuvenation in Section 1).

Service Improvement Initiative

Through its 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. The Department's effort has been centered on four initiatives: a Fisheries and Oceans Portal; Maritime Safety Information Services; a National Recreational Licensing System; and Understanding Canada's Water and Aquatic Resources. All four projects have achieved or exceeded the goals that were identified.

In addition to the work on the above projects, senior management approved a proposal for one integrated Web site for DFO, to serve clients better and reduce costs and risk. A collaborative project involving key stakeholders was established in 2005-2006 to begin laying the groundwork and building the business case for an integrated Web site, compliant with legislation and policy.

In collaboration with Public Works and Government Services Canada, the Department assessed the maturity level of its horizontal service delivery to understand the strengths and weaknesses of the Department in delivering services efficiently and effectively. The assessment identified that the maturity of DFO's service level components rate as low to medium, on par with other science-based departments participating in the exercise. The Department's work to integrate its Web presence was identified as the major initiative for 2006-2007 to move the service delivery agenda forward.

For more information on the Government On-Line initiative, see the 2006 Overview report at http://www.gol-ged.gc.ca/rpt2006/rpt/rpt00_e.asp.

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.

Section 4 — Other Items of Interest

In this section:

- Organizational Information
- Management Agenda Priorities
- Program Enablers
- 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, Senior Associate 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 an Assistant Commissioner.

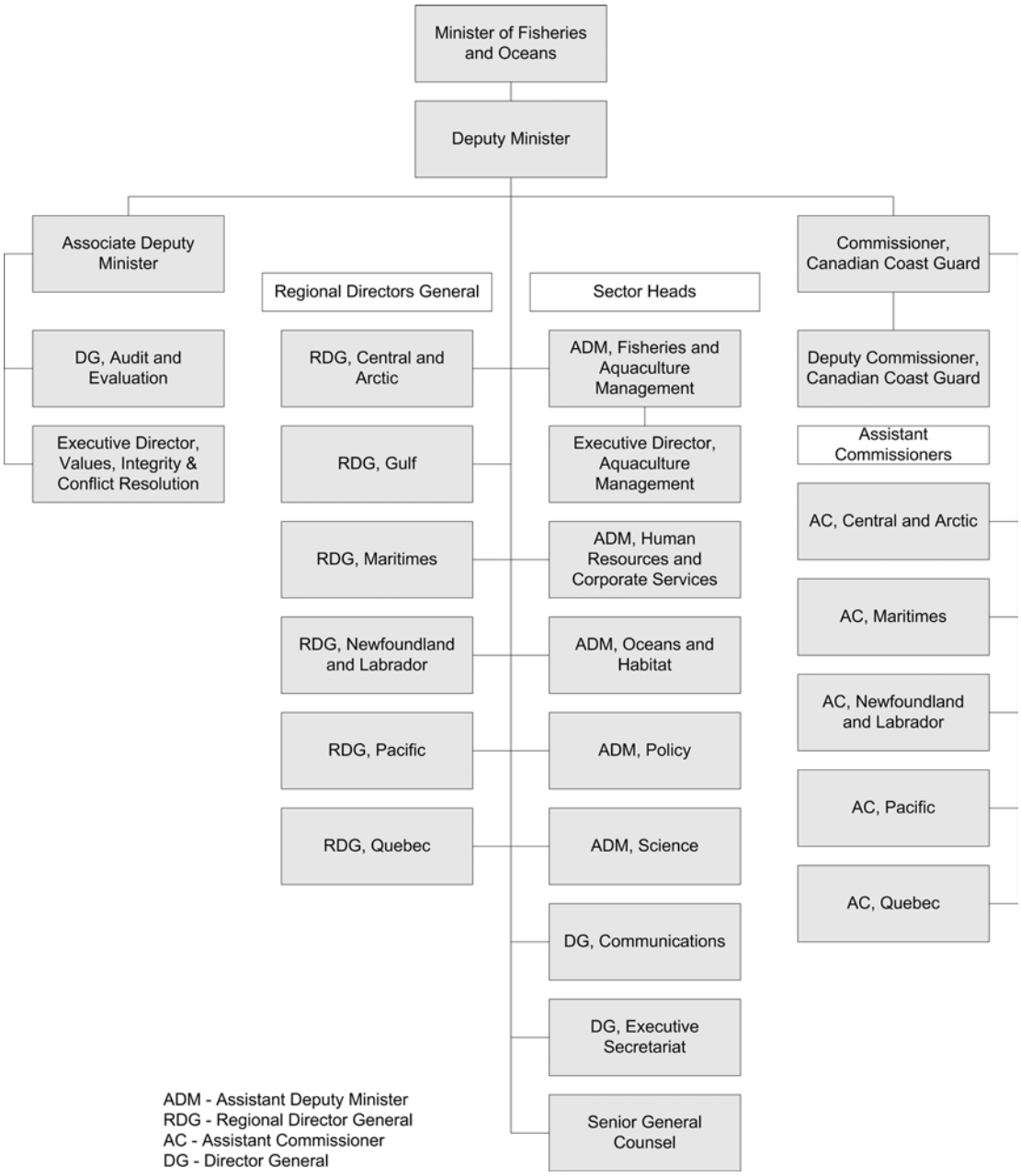
The rest of the Department is organized into five sectors, each headed by an Assistant Deputy Minister. Assistant Deputy Ministers are responsible for establishing national objectives, policies, procedures and standards for their respective sectors and program activities.

The Deputy Minister, Senior Associate 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 Senior Associate Deputy Minister; the Assistant Deputy Ministers; the Commissioner and Deputy 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; the Executive Director, Aquaculture Management; and the Director General, Audit and Evaluation.

DMC meets regularly as DMC-Management, DMC-Policy or DMC-Human Resources. DMC is supported by the following senior management committees: Policy Committee, Human Resource Committee, Legal Risk Management Committee, Departmental Audit and Evaluation Committee, Investment Management Board, Information Management/Information Technology Management Board and the Science Management Board.

Management Agenda Priorities

In addition to the strategic priorities described in Section 2, DFO committed to 5 key priorities that affect the internal workings of the Department. The table below summarizes the status of these priorities.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Human Resource Modernization (HRM) Prepare the groundwork for HRM through national HRM learning and communications strategies	All managers sub-delegated under the new regime have been trained; 84% of DFO staffing experts have passed the validation test.
Develop and implement effective Human Resource (HR) planning, within DFO's Integrated Planning Framework	As part of the operationalization phase of the planning framework, DFO regions and sectors have prepared detailed HR plans including information on staffing, workforce alignment, term management, classification, learning and succession planning requirements.
Modernize staffing policies and processes	DFO has signed the Appointment Delegation and Accountability Instrument with the Public Service Commission, and approved written instruments of sub-delegation are in place. The Department has in place a departmental Staffing Monitoring and Accountability Framework. DFO has developed and implemented the three mandatory policies required for the implementation of the new *Public Service Employment Act.* In addition, two new non-mandatory policies were implemented, and four existing policies were revised and updated. A protocol for the administration of the oath was implemented.
Develop and implement a comprehensive and integrated HR monitoring and reporting framework.	Health of human resources framework has been developed. The first pilot run using 2005-2006 data will be presented to senior management in Fall 2006.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Develop and implement policies, procedures and a monitoring framework for assuming the responsibility for directly hiring executives.	DFO Executive Resourcing policies have been developed to be in compliance with HR Modernization and as a result of the EX staffing delegation and appointment authority by the Public Service Commission. A new process has been initiated whereby the DM approves staffing strategies for all EX positions to ensure proper documentation and approvals are obtained. Individual staffing requests are reviewed to determine the possibility of sharing of efforts/pools in consultation with Assistant Deputy Ministers/Regional Directors General. A generic EX-1 process will be initiated in Fall 2006 to establish a pool of qualified candidates for appointment to vacant EX-01 Indeterminate, Determinate and Acting situations. With the recent creation of a challenge committee (part of the new HR Sub-Committee), an internal review and monitoring mechanism will be implemented to review all requests involving non-advertised processes into EX Group; acting over 12 months; appointment of casual through non-advertised process, against appointment values of fairness, access and transparency; and appointments to the EX Group.
Management Accountability Framework DFO plans to respond to a recent Treasury Board Secretariat assessment of the Department's management practices by implementing necessary improvements.	In 2005, Treasury Board Secretariat assessed DFO on its 2004 departmental management practices using the Management Accountability Framework performance measures. The observations were generally positive, commending DFO on renewing its grants and contributions programs; having a high participation in activities related to government priorities and horizontal initiatives; creating a Program Activity Architecture; and establishing a task force on external charging. TBS identified three areas for attention: meeting outstanding Treasury Board conditions set on funding and program approvals; ensuring sufficient internal audit capacity to efficiently discharge its internal audit responsibilities; and improving adherence to the service improvement policy. These areas, along with several others of minor concern, were monitored for action and improvement throughout the year. As demonstrated in the 2005 assessment, DFO progressed in the three areas listed for attention as well as several others. DFO also compared favourably against other departments.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Integrated Planning and Reporting DFO will increase and integrate performance measurement and reporting into the planning and reporting processes.	By the end of 2005-2006, DFO had completed one and a half cycles of its new Integrated Planning Framework. Preliminary business plans for 2006-2007 were developed, which incorporated performance measures developed for the Management of Resources and Results Structure and risk analysis using the Corporate Risk Profile. Whole sections of these Business Plans were used to develop the first draft of the 2006-2007 *Report on Plans and Priorities*, thereby reducing workload for the sectors. The linkage between human resource planning and business planning continues to improve with the preparation of HR plans during the business planning cycle. More work is required in this area. Overall, program delivery sectors and regions have commented favourably on the integrated planning process. DFO will continue to adjust the process based on the results of each planning and reporting component.
Strengthening Comptrollership DFO will continue to strengthen comptrollership and stewardship practices in the management of financial and material resources.	With the implementation of financial management training, this priority has recently been integrated into the Management Accountability Framework priority. Further work on comptrollership will be discussed under the Stewardship component of the Management Accountability Framework. **Financial Management Training Initiative** DFO has worked to ensure that the Department's managers have the tools needed to manage public resources effectively. To this end, it has developed and presented a course covering financial management, planning, budget management, expenditure management and procurement. This training is required before financial and material signing authorities are exercised. In 2005-2006, DFO provided training to almost 1,100 managers across the country, surpassing its goal by over 30%. The Government's Policy on Learning, Training and Development, which came into effect on January 1, 2006, requires managers to confirm their knowledge of legal responsibilities for the management of finance, human resources and procurement. The Financial Management Training Initiative has placed DFO in the forefront of government departments by allowing DFO managers to remain current in these fields in anticipation of this goal.

Plans Identified for 2005-2008	*Results Achieved in 2005-2006*
Integrated Risk Management ▪ DFO will fully implement Integrated Risk Management in DFO by April 2006. ▪ DFO will complete six pilot projects and implement risk management on a test basis throughout the Department.	DFO is now implementing Integrated Risk Management as an integral part of the integrated business planning process. The departmental Corporate Risk Profile has been updated and all program elements in the Program Activity Architecture will have an activity-specific Corporate Risk Profile this year. Integrated Risk Management tools and approaches are in use across DFO at both the operational and strategic level. Summary tables identifying which program outcomes are subject to elevated levels of risk will be provided to program managers at the end of phase two of the annual planning cycle to support allocations and priority setting. Work this year includes the completion of Corporate Risk Profiles for Small Craft Harbours, Fisheries and Aquaculture Management, Oceans Management, Fish Habitat Management, Information Technology and Human Resources. In addition, the Corporate Risk Profile for the Canadian Coast Guard will be updated to reflect its status as a Special Operating Agency and to include performance information in its risk profile. DFO fully implemented Integrated Risk Management in April 2006. All six pilot projects were completed successfully and were the basis for the development of an enterprise-wide tool to measure the achievability of program goals. This tool was tested across DFO in the fall of 2005, and the Departmental Management Committee approved its full implementation in April 2006. In addition, the Corporate Risk Profile was updated using the results of over 100 risk management engagements conducted in 2005-2006.

Program Enablers

Program Enablers refers to the corporate functions that support the delivery of DFO's plans and priorities. In DFO, the enablers represent approximately 17% of total employees. Their work is ongoing and multi-faceted: from paying bills, to preparing news releases to analyzing policy issues. They work together with the programs described in Section 2 to deliver departmental and government priorities and initiatives.

The financial and human resources listed below have been attributed across the three strategic outcomes and program activities discussed in Section 2.

The *Program Enablers* program activity is delivered through six program sub-activities:
- Executive Direction;
- Strategic Policy;
- Communications;
- Legal Services;
- Human Resources; and
- Corporate Services.

Financial and Human Resources, Program Enablers, 2005-2006

Financial Resources (millions of dollars)	*Planned Spending*	*Total Authorities*	*Actual Spending*
Executive Direction	8.0	26.6	29.8
Strategic Policy	19.8	21.6	20.4
Communications	7.0	9.2	11.1
Legal Services	4.9	5.2	2.2
Human Resources	24.1	26.7	28.6
Corporate Services	190.5	191.2	180.1
Total	**254.3**	**280.4**	**272.1**
Human Resources (number of FTEs)	***Planned***	***Actual***	***Difference***
Executive Direction	171	203	-32
Strategic Policy	195	191	4
Communications	87	86	1
Legal Services	22	23	-1
Human Resources	333	324	9
Corporate Services	948	884	64
Total	**1,756**	**1,711**	**45**

Note: Because of rounding, figures may not add to the totals shown.

Program Sub-activity: Executive Direction

Description: Includes the offices of the Deputy Minister, Senior Associate Deputy Minister, Regional Directors General, Area Managers, and the Executive Secretariat including Access to Information and Privacy. It also includes: the Audit and Evaluation Directorate which has responsibility, on behalf of the Deputy Minister, for the provision of internal audit, evaluation and the integrated risk management programs; and, the Values, Integrity and Conflict Resolution Secretariat, responsible for building awareness of and strengthening compliance with the Values and Ethics Code for the Public Service and for ensuring that DFO employees are aware of and use the internal process for disclosing allegations of wrongdoing.

Results Achieved: Supports the Department's programs through:

- Access to Information and Privacy — Completed the staffing of vacant positions, which will reduce reliance on consultants. Business plans are under development to determine sector/region contribution to the cost of extraordinary requests.
- Ministerial and Executive Correspondence — Reorganized and streamlined unit, allowing for better use of resources to more effectively manage the flow of correspondence. Started the creation of business rules and clearer guidelines.
- Cabinet and Parliamentary Affairs — Improved quality and timeliness of information provided to the Minister for Question Period. Streamlined processes for Cabinet papers and appointments.
- Departmental Liaison — Ensured that all requests were dealt with in a timely manner.
- Ministerial Travel — Ensured that all work related to ministerial travel functioned smoothly.
- Administrative Services — Ensured that all requests from other sectors to the Deputy Minister's Office and the Executive Secretariat were dealt with in a timely manner.
- Audit and Evaluation — A complete list of audits and evaluations for 2005-2006, as well as responses to the Auditor General, can be found in Section 3. DFO has implemented Integrated Risk Management across DFO. Work over the 2005-2006 fiscal year included the completion of eight pilot projects and implementing risk management on a test basis for the Conservation and Protection function across the Department.

Program Sub-activity: Strategic Policy

Description: Supports the Department's mandate and advances its policy priorities through:

- Integrating the policy agenda within DFO and establishing linkages with the broader Government of Canada agenda;
- Setting the strategic direction for the Department;
- Conducting economic research and analysis and compiling statistics in areas of relevance to departmental and government decision makers; and
- Analyzing horizontal policy issues and developing policy frameworks.

Results Achieved: DFO launched its Strategic Plan *Our Waters, Our Future* in 2005-2006 as its practical and comprehensive plan to implement the Department's renewed vision, mission and objectives. This Plan sets objectives and direction to fulfil DFO's role as a sustainable development department. *Our Waters, Our Future* follows an integrated approach to planning that balances commitments with our available resources, helping to advance the implementation of organization-wide Integrated Risk Management. The departmental planning cycle has been adjusted to link human resource, business, financial and strategic planning more closely. The Department evaluates its key objectives annually and adjusts them as required to ensure efforts reflect the priorities of Canadians. The first status report is to be released in 2006-2007.

Further, the Economic Analysis and Statistics Directorate of DFO conducted a broad range of economic and statistical analyses and surveys to support the development of, and decisions relating to, departmental policies and programs in 2005-2006. Work included:

- A comprehensive analysis of the potential socio-economic impacts relating to a listing of three Atlantic cod populations under the *Species at Risk Act*;
- Economic analysis estimating the impact of competition from China for selected species;
- Economic assessment on the effectiveness of licence buy-back programs;
- National Survey of Vessel Performance – the first national survey since 1988;
- Launch of the 2005 National Survey of Recreational Fishing in Canada;
- Management of departmental statistics relating to catch and effort, and trade of fish products; and
- Provision of discrete economic analyses and advice in support of departmental priorities and programs.

The International Coordination and Policy Analysis Directorate continued the co-ordination and implementation of the government's International Fisheries and Oceans Governance Strategy. In addition to supporting initiatives under this Strategy led by other sectors, the Directorate undertook the following:

- Led Canada's participation in the High Seas Task Force to combat illegal, unregulated and unreported fishing, which launched its final report in March 2006, including championing an initiative to develop performance guidelines for regional fisheries management organizations;
- Led Canada's co-chairing of the Asia-Pacific Economic Cooperation Oceans-related Ministerial Meeting in September 2005, which resulted in a *Ministerial Declaration* and launched the Bali Plan of Action — a key initiative for the Asia-Pacific region outlining a sustainable development approach to the conservation and sustainable use of marine resources;
- Co-ordinated Canada's input for the 60th session of the United Nations General Assembly consultations on Law of the Sea and Sustainable Fisheries resolutions, including Canada's nomination to chair the United Nations Informal Consultative Process on Oceans and Law of the Sea for the next term; and
- Co-ordinated input for Canada's participation at various international fora addressing marine biodiversity.

Proposals to modernize the *Fisheries Act* were developed as a result of extensive consultations that took place with stakeholders, provinces and territories, and Aboriginal groups on habitat, fisheries management and a number of horizontal policy issues.

At the federal level, DFO has identified its own unique role within the federal family to highlight the impacts of climate change on Canada's oceans. In 2005, DFO completed a risk assessment to consider the impacts of climate change on the management of Canada's waters and aquatic resources.

In essence, DFO is working to ensure that management decisions are based on an informed understanding of the climate change risks that it faces, and the potential impact of those risks. The Department is working to integrate climate change considerations into DFO planning by March 2007.

Program Sub-activity: Communications

Description: Communications works with Program and Policy leads across DFO and the Canadian Coast Guard to explain the priorities and directions of the Department to Canadians, meeting their information needs according to requirements of the Government of Canada Communications Policy.

Results Achieved: The overarching, expected result for Communications is informed citizens, stakeholders and media about DFO priorities, programs and services. Communications supports this result through a variety of communications products, services and interactions with Canadians. A national General Inquiries service handles direct calls from citizens, with the capability to respond to most information requests immediately while following up in cases where more detailed information is requested. Media stories are an important source of information to Canadians, and Communications addresses much of its effort to meeting the information needs of journalists to earn balanced coverage in stories about the Department. Proactive work to anticipate the information needs of journalists and to build better working relationships with them has resulted in improved credibility with media across the country in 2005-2006.

Program Sub-activity: Legal Services

Description: Provides legal services and counsel to assist the Department in achieving its policy and program objectives in accordance with the law while avoiding or minimizing legal risks. Legal services include the provision of legal advice, support to litigation and prosecutions, legislative and regulatory development and the design and implementation of programs, reports and materials to enhance legal awareness and legal risk management.

Results Achieved: The Legal Services Unit continues to provide legal advice and support to all sectors of the Department and the Canadian Coast Guard. In total, over 53,000 hours of legal services were provided by lawyers and paralegals in the Legal Services Unit. New reporting tools that should enhance accountability and management of priorities have been implemented within the Legal Services Unit. Work is under way to improve the management of litigation and prosecution costs. Identification and management of high-impact legal risks continues to be managed effectively through the Departmental Legal Risk Management Committee. Variances from planned spending are due principally to delays in staffing counsel to the Unit and decisions to postpone several projects until 2006-2007.

Program Sub-activity: Human Resources

Description: Provides effective and timely human resources services and advice to managers, employees and unions and, working with those stakeholders, leads the transition to Human Resource Modernization.

***Results Achieved*:** The most significant achievement in 2005-2006 was the successful implementation across all regions of the requirements of the *Public Service Modernization Act* through the development or amendment of policies and processes and the delivery of extensive training to managers and employees to ensure DFO readiness for the coming into force of the *Public Service Labour Relations Act* on April 1, 2005, and of the new *Public Service Employment Act* on December 31, 2005. Other notable events in 2005-2006 included the considerable efforts required to effect pay changes within legislated timeframes resulting from the large number of ratified collective agreements. Work continues on initiatives to improve the overall management of the DFO workplace and workforce, including the move to national structures and model work descriptions, improved labour-management relationship through events such as Labour Relations symposia, increased emphasis on and integration of human resources planning into the business planning process, increased use of collective or generic staffing processes, improved access to and analysis of monitoring data to improve performance, and preparation for the implementation of the new mandatory learning programs for new employees, supervisors, managers and functional specialists. The Human Resources team has been significantly challenged to deliver timely and effective ongoing services during this period, given the significant level of change, especially legislatively, and the serious shortage of qualified human resources professionals in the public service. DFO is working with other departments and agencies on external recruitment campaigns to begin the process of rebuilding capacity to meet managers' increasing need for strategic, timely and effective human resources services and advice.

Program Sub-activity: Corporate Services

Description: Supports the Department's programs through:

- Finance and Administration, which develops, maintains and implements integrated systems, policies, procedures and services for the effective acquisition and stewardship of financial and material resources;
- Real Property, Safety and Security, which focuses on managing the Department's real property assets, providing accommodation and specialized facilities to program personnel, divesting properties surplus to program requirements, ensuring environmental stewardship and providing safety and security services for departmental assets and personnel; and
- Information Management and Technology Services, which provides functional direction on, and operational services related to, the management and use of information and technology in DFO.

Results Achieved: Financial Management Training for Middle and Senior Managers: The original target audience was the 867 responsibility centre managers at the EX minus two and above level. The objective was to train 95% of this target pool. As of March 31, 2006, a total of 1,082 DFO and CCG middle and senior managers received the required training, surpassing our training objective by 30%.

Feedback from participants indicated that 74% of managers felt the course objectives enabled them to play a leadership and management role in budgeting, monitoring and reporting on program activities. Furthermore, more than 75% of participants felt they are now able to more effectively exercise, in an informed manner, their delegated financial signing authority, and to delegate contracting and assets management authority.

During 2005-2006, DFO continued the process of External Charging Renewal. This process is underpinned by the development and implementation of an External Charging Framework, which will ensure that charging decisions at DFO are made in an integrated, coherent, and principled manner. This framework includes a vision and principles for charging (approved by DFO's Departmental Management Committee), a plan for formalizing DFO's governance of external charging matters, and an action plan for resolving DFO's external charging issues.

Real Property Management in DFO provided employees with accommodation and related infrastructure to deliver departmental programs through the effective stewardship of real property assets. The Directorate continues to improve environmental compliance through promoting, monitoring and reporting. Progress to identify DFO's contaminated sites liabilities has been made; 408 sites were assessed in 2005-2006. High-priority property disposals are being advanced, and progress has been made, e.g., the sale of Garden City in Richmond, B.C. The divestiture program generated $6 million in net proceeds from sales in 2005-2006. Ongoing safety and security services and business continuity planning were delivered to protect corporate assets and ensure the safety of personnel and the public.

The national headquarters component of Information Management and Technology Services underwent an organizational re-structuring in 2005-2006. This initiative was undertaken to better align workforce capacity with business goals and strategic objectives.

Treasury Board provided the Information Technology Sustainability Project with Preliminary Project Approval in October 2005.

Over the course of the year, the information technology infrastructure's end user availability was maintained at 99.6%.

A Risk Management Working Group was established to monitor and assess new and ongoing major capital information management and information technology project proposals. This committee is chaired by the Director General of Information Management and Technology Services and has representation from all sectors.

The IMIT Management Board, an Assistant Deputy Minister level committee, chaired by the Senior Associate Deputy Minister, was established to review and strategically manage IMIT activities throughout the Department.

The Corporate Administrative Shared Services (CASS) project is a Government of Canada initiative to improve the delivery of corporate and administrative services, including finance, human resources and materiel management, through the establishment of a Shared Services Organization. Leadership of DFO's participation in the Project was delegated to the Shared Services Project Office. Most importantly, the Project Office provided leadership for the work of the Materiel Management Working Group, which was formed in November 2005. The Working Group identified process flows and improvements, and developed a Materiel Management storyline. This group liaised with other working groups, integrated with other functional teams, and conducted validation workshops. The Project Office and Working Group also identified the scope of the proposed services that would support the Materiel Management function, as well as the tools and structures through which they would be delivered. DFO also co-led the Information Management/Information Technology/Information Systems (IM/IT/IS) stream of the CASS initiative. DFO's leadership in the IM/IT/IS and Materiel Management streams meant that DFO made a large contribution to the CASS initiative.

Awards and Recognition

Awards and Recognition Internal to DFO

Ninety-one recipients from across Canada received the Deputy Minister's Prix d'Excellence for their exceptional contributions to achieving DFO objectives during 2005.

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:

- **Stefan Beckmann** for his outstanding investigative work that brought national credit to the Department and the public service by ensuring official recognition for Fishery Officer Kenneth Weaver, who was killed in the line of duty on September 2, 1948;
- **Ginny Flood** for her strong leadership, selfless dedication, superb effort and genuine concern for others as Executive Advisor to the Deputy Minister;
- **Chief Officer James Gurney, Seaman Dave Doherty and Seaman Jeff Cluett** from the CCGS Ann Harvey for their courageous actions in the safe evacuation of five people from the F/V "Hit and Miss I" on April 20, 2004.
- **Officers and Crew of the CCGS Leonard J. Cowley** in recognition of their exemplary display of teamwork, professionalism and dedication in providing exceptional life saving medical attention to a fisherman who suffered traumatic injury on September 7, 2004, aboard a fishing vessel in the area of the South Eastern Grand Banks.
- **Fishery Officers Jermey Pardy, Morgan Oake and Clarence Mitchell and local fisherman Bruce Watkins** for their exemplary display of courage in the saving of three lives during adverse weather conditions on December 27, 2004.

Approximately 351 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 37 employees in 2005 with the Governor General's Canadian Coast Guard Exemplary Service Medal or a Bar to the Medal.

Over 700 DFO employees were recognized for their long service with the federal government: 222 for 15 years of service; 392 for 25 years of service; and 106 for 35 years of service.

Awards and Recognition from Outside Organizations

Dr. Dick Beamish — North Pacific Anadromous Fish Commission Award

Dr. Beamish, Fisheries Scientist at the Pacific Biological Station in Nanaimo is the first non-Russian and first Canadian to receive an honorary award from TINRO, a prestigious Russian Science Centre, for his scientific contributions to Pacific fisheries. Dr. Beamish is an internationally recognized scientist and a pioneer in examining how climate change affects marine fish populations, which has significant implications for the management of Pacific salmon and other species.

Dr. Steven. A. Campana — Chandler-Misener Award

Dr. Steven. A. Campana, a research scientist at the Bedford Institute of Oceanography, in Halifax, was awarded the Chandler-Misener Award by the International Association for Great Lakes Research for the co-authored paper *Reconstructing Habitat Use and Wetland Nursery Origin of Yellow Perch from Lake Superior using Otolith Elemental Analysis*. The Chandler-Misener Award is presented annually to the author(s) of the peer-reviewed paper in the current volume of the *Journal of Great Lakes Research* judged to be most notable.

Canadian Coast Guard — Search and Rescue

To honour the Search and Rescue Specialists across Canada who put their own lives at risk to save others, and to commemorate Canada's role in search and rescue operations, Canada Post issued a new set of four stamps on June 13, 2005.

Crew of the Canadian Coast Guard Ship (CCGS) Sir William Alexander — Navy League of Canada – J. J. Kinley Award
Officer and Crew of the CCGS Sir William Alexander received this award in recognition of their exceptional performance during Operation UNISON, Canada's contribution to the Hurricane Katrina relief effort. In challenging operational conditions, Sir William Alexander delivered relief supplies and played a significant role in repairing the United States aids to navigation system.

Canadian Coast Guard, Newfoundland Region — St. John Ambulance Priory Vote of Thanks Award
In June 2005, the Lieutenant Governor presented this award to John Butler, on behalf of CCG Newfoundland, in recognition of its work in the areas of marine safety, medical evacuations at sea by rescue specialists and the promotion of first aid through the efforts of instructors who conduct courses both on board ships and in their communities.

Gerry Cantwell, Ivan White, Sid Smith, Arch Curtis & Paul Kane — Canadian Coast Guard Alumni Association Polaris Award
In December 2005, the Association presented this award to the Canadian Coast Guard in recognition of the organization's contribution to the preservation and public awareness of the marine heritage and history in the Province of Newfoundland and Labrador.

Dr. Eddy Carmack — Elected Fellow of the American Geophysical Union
Dr. Eddy Carmack, a research scientist with DFO's Institute of Ocean Sciences in Sidney, British Columbia, was elected a Fellow of the American Geophysical Union, a worldwide scientific community that advances, through unselfish co-operation in research, the understanding of earth and space for the benefit of humanity.

George Da Pont — Human Resources Council — Michelle C. Comeau Human Resources Leadership Award
George Da Pont, A/Commissioner of the Canadian Coast Guard, received the Human Resources Champion Award for his leadership, commitment and significant achievements in human resources and management modernization, both in DFO and at the government-wide level. Mr. Da Pont made a critical contribution to the conceptualization and implementation of the *Public Service Modernization Act* and raised the strategic profile of human resources, notably as Chair of the Human Resources Council.

Ben Davis — Most Dedicated Manager — Newfoundland Region
The Canadian Council on Rehabilitation awarded Ben Davis the title of Most Dedicated Manager for his work of support of the Partners for Workplace Inclusion Program.

Dr. Ken Denman — Timothy R. Parsons Medal
Dr. Ken Denman is employed at both the Canadian Centre for Climate Modelling and Analysis, at the University of Victoria, and at the DFO Institute of Ocean Sciences in Sidney, British Columbia. Dr. Denman received the award in honour of his career-long contributions on the influence of physical processes on ocean productivity, and for pioneering integrated physical-chemical-biological oceanographic research.

Fisheries and Oceans — 2005 Public Sector Quality Fair — Bronze Award "The Power of Partnership"
On October 6, 2005, at the 2005 Public Sector Quality Fair, Ed Debruyn, Acting Director, Habitat Management, received a bronze award on behalf of DFO, Ontario-Great Lakes Area, for their achievements through partnerships with Conservation Authorities, Parks Canada Agency and the Ontario Ministry of Natural Resources. The award showcases service quality, excellence in government, health care and education sectors across Ontario. Ontario-Great Lakes Area's submission "Fish Habitat Management: Partnerships and Regulatory Streamlining" highlighted their collaborative program.

Paul Gaskin — Merit Award — Management Trainee Association Award
Paul Gaskin, Chief of Policy Renewal in Fisheries and Aquaculture Management, received the award in recognition of his continued involvement and contribution to the Management Trainee community. Mr. Gaskin is a former Management Trainee Program participant and among the founders of the Management Trainee Association.

Dr. David Higgs — Research Award of Excellence
Since August 1975, Dr. Higgs, head of DFO's Fish Nutrition Program based at the West Vancouver Laboratory (presently the Fisheries and Oceans Canada/University of British Columbia Centre for Aquaculture and Environmental Research), has conducted collaborative projects with universities and industry. In recognition of his outstanding contributions to aquaculture research, Dr. Higgs has been awarded the Aquaculture Association of Canada Research Award of Excellence.

Interdepartmental Tsunami Task Force — Public Service Award of Excellence
DFO was part of the Interdepartmental Tsunami Task Force and received this award for leading the Government of Canada's response to the unprecedented humanitarian disaster created by the Indian Ocean tsunami.

Collette Kirby — Newfoundland and Labrador Federal Council Leadership Award
Collette Kirby received the Leadership Award from the Newfoundland and Labrador Federal Council for her contribution to the John Cabot Building Workplace Health and Wellness Initiative.

Patti Kuntz — Human Resources Council — Michelle C. Comeau Human Resources Leadership Award
Patti Kuntz, Director General, Human Resource Strategies and Programs, along with the other co-chairs of the National Staffing Council — Lise Cloutier (Commissioner of Official Languages) and Nathalie Kachulis (Industry Canada) — received this award as the Best Human Resources Team. This team contributed significantly to the successful implementation of the new *Public Service Employment Act*.

Étienne Laliberté — Management Trainee Association — Merit Award
Étienne Laliberté, while on secondment with Enforcement Operations in the Pacific Region, received a Merit Award for his outstanding contribution to the public service while working on the *Public Service Employment Act* implementation at the Public Service Human Resources Management Agency of Canada.

Dr. Robie Macdonald — Royal Society of Canada — Miroslaw Romanowski Medal
Dr. Robie Macdonald, Fellow of the Royal Society of Canada, Research Scientist at the Institute of Ocean Sciences in Sidney, British Columbia, received the Miroslaw Romanowski Medal of the Royal Society of Canada. The prestigious award recognizes significant contributions to the resolution of scientific aspects of environmental problems or important improvements to the quality of an ecosystem. The Society recognized Dr. Macdonald as a world-class scientist, internationally noted for his work on contaminant pathways in environmental systems.

Dr. Trevor Platt — Timothy R. Parsons Medal
Dr. Trevor Platt is employed at DFO's Bedford Institute of Oceanography in Dartmouth, Nova Scotia, and is an adjunct faculty member at Dalhousie University in Halifax, Nova Scotia. Dr. Platt received the award in honour of his outstanding contributions to the fields of biological oceanography and marine ecology, the thermodynamics of the open ocean ecosystem and an ecosystem approach to fisheries management.

Kym Purchase — Merit Award — Management Trainee Association Award
Kym Purchase, Senior International Fisheries Counsellor for the Atlantic Fisheries and International Governance Division, won the Award for Values and Ethics.

Minister Geoff Regan — Nova Scotia Federation of Anglers and Hunters — Fairn-Hickman Award
On April 3, 2005, Minister Regan received the Fairn-Hickman Award for the establishment of the Atlantic Salmon Endowment Fund, an initiative to enhance and protect Nova Scotia's fish and fish habitat. The award was presented to Minister Regan by Gary R. Penney, outgoing President of the Nova Scotia Federation of Anglers and Hunters.

Lee Stewart — Governor General's Certificate of Commendation
Lee Stewart, a Fishery Officer from Maritimes Region, received the Governor General's Certificate of Commendation for his bravery for saving the life of his co-worker who fell into icy waters during an attempted boarding of a vessel. The award was presented by Neil Bellefontaine, the Regional Director General of Maritimes Region, during a ceremony at the Bedford Institute of Oceanology in Dartmouth, Nova Scotia, in June 2005.

Brian Stone, Kevin Barnes, Andy Caines, Chris Fitzgerald, Dan Frampton, Ward George, Neville Pawson, Clarence Peddle, Wes Pretty and Merv Wiseman, Newfoundland Region — Golden Microphone Award
This team from CCG, Search and Rescue received this award in recognition of their work with the Communications Branch and their willingness to be available to the media at all times.

Marie-Claude Rousseau, Odette Tremblay, René Gélinas, Stéphane Dutruel, Sylvain Gagné, Pierre Vallée, Gaétan Miousse, Jean-Marie Savard, Éric Lepage — Quebec Federal Council — Client Services
The Quebec area team received the Client Services award from the Quebec Federal Council for its one-stop information assistance service to all the area employees and for its troubleshooting call dispatching and logbook recording services.

Dr. Jean-Claude Therriault — J.P. Tully Medal in Oceanography
Dr. Jean-Claude Therriault, of the DFO Institut Maurice Lamontagne, in Mont Joli, Quebec, was awarded the J.P. Tully Medal in Oceanography by the Canadian Meteorological and Oceanographic Society for his outstanding career as a Canadian marine biologist and his continuing leadership of oceanographic research in Quebec.

Dr. Svein Vagle — Medwin Prize in Acoustical Oceanography
Dr. Svein Vagle, a researcher with DFO's Institute of Ocean Sciences in Sidney, British Columbia, was awarded the Medwin Prize in Acoustical Oceanography in recognition of his work in the development of experimental techniques to probe the upper ocean boundary layer.

Contacts for Further Information

Region	Name	Telephone
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
ACFAM	Atlantic Council of Fisheries and Aquaculture Ministers
ACRDP	Aquaculture Collaborative Research and Development Program
AFS	Aboriginal Fisheries Strategy
AIHP	Aboriginal Inland Habitat Program
AIS	Automatic Identification System
CASS	Corporate Administrative Shared Services
CCFAM	Canadian Council of Fisheries and Aquaculture Ministers
CCG	Canadian Coast Guard
CCGC	Canadian Coast Guard College
CCS	Communications Control System
CEAA	*Canadian Environmental Assessment Act*
CGP	Cod Genomics and Broodstock Development Project
CHS	Canadian Hydrographic Service
CIS	Canadian Ice Service
COOGER	Centre for Offshore Oil and Gas Environmental Research
COSEWIC	Committee on the Status of Endangered Wildlife in Canada
DFO	Fisheries and Oceans Canada
DMC	Departmental Management Committee
DND	Department of National Defence
EOAR	Ecosystem Overview Assessment Report
EPMP	Environmental Process Modernization Plan
FMR	Fisheries Management Renewal
FMRI	Fleet Management Renewal Initiative
FTE	Full-time Equivalent
HA	Harbour Authority
HMP	Habitat Management Program
HSTF	High Seas Task Force
IFMP	Integrated Fisheries Management Plans
IMTA	Integrated Multitrophic Aquaculture
ITQ	Individual Transferable Quota
JRCC	Joint Rescue Co-ordination Centre
LOMA	Large Ocean Management Area
LOS	Levels of Service
LRIT	Long-Range Identification and Tracking
MAM	Marine Aids Modernization
MCTS	Marine Communications and Traffic Services
MOU	Memorandum of Understanding
MPA	Marine Protected Area
NHQ	National Headquarters
NMAB	National Marine Advisory Board
NRIA	National Resource Industry Association
OAP	Oceans Action Plan
OS	Operational Statement
PAA	Program Activity Architecture
PWGSC	Public Works and Government Services Canada
RCMP	Royal Canadian Mounted Police
RDG	Regional Director General
RFMO	Regional Fisheries Management Organization
SAR	Search and Rescue
SARA	*Species at Risk Act*
SCH	Small Craft Harbours
SDS	Sustainable Development Strategy
SEP	Salmonid Enhancement Program
SOA	Special Operating Agency
TBS	Treasury Board Secretariat

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