



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Fisheries and Oceans Canada

Departmental Performance Report

For the period ending March 31, 2009

DFO-62347

\\nats01\NSD\CDCI NCR Inquiry\Network Shared Drive
s\CFO\CPGR\X (FinanceX on NCRanxclu01)\~B P P R\DP
R\Final Versions of Annual DPRs\2008-09\DFO-dpr-rm
r-eng-Print (includes signature).pdf

CAN027632_0001

\\nats01\NSD\CDCI NCR Inquiry\Network Shared Drive
s\CFO\CPGR\X (FinanceX on NCRanxclu01)\~B P P R\DP
R\Final Versions of Annual DPRs\2008-09\DFO-dpr-rm
r-eng-Print (includes signature).pdf

Table of Contents

Minister's Message	1
Section I: Departmental Overview	3
Program Activity Architecture	4
DFO at a Glance	5
Context for Performance	10
Key Corporate Risks	10
Summary of Financial and Human Resources	10
DFO Priorities	11
Expenditure Profile	20
Financial Analysis	20
Section II: Analysis of Program Activities by Strategic Outcomes	23
Safe and Accessible Waterways	24
• Canadian Coast Guard	26
• Small Craft Harbours	29
• Science for Safe and Accessible Waterways	32
Sustainable Fisheries and Aquaculture	34
• Fisheries Management	36
• Aquaculture	38
• Science for Sustainable Fisheries and Aquaculture	40
Healthy and Productive Aquatic Ecosystems	42
• Oceans Management	44
• Habitat Management	46
• Species at Risk	48
• Science for Healthy and Productive Aquatic Ecosystems	50
Section III: Supplementary Information	53
• Financial Highlights	53
• Supplementary Tables	54
• Other Items of Interest	54

\\nats01\NSD\CDCI NCR Inquiry\Network Shared Drive
s\CFO\CPGR\X (FinanceX on NCRanxclu01)\~B P P R\DP
R\Final Versions of Annual DPRs\2008-09\DFO-dpr-rm
r-eng-Print (includes signature).pdf

Minister's Message



As Minister of Fisheries and Oceans, it gives me great pleasure to present Fisheries and Oceans Canada's (DFO) Performance Report for 2008-09 to Parliament and Canadians.

Based on sound management practices and scientific knowledge, DFO and the Canadian Coast Guard (CCG), a special operating agency within DFO, continue to provide benefits to Canadians through three strategic outcomes:

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

To achieve these outcomes, DFO continued to focus on a number of significant issues:

Renewing the Economic Viability of the Fisheries

The Department continued to lay the groundwork for a more modern fisheries management model, including possible legislative renewal, that will be more transparent, accountable, and inclusive of all Canadians. DFO launched a sustainable seafood program in support of the Canadian sector's international competitiveness. In addition, DFO is investing \$70 million over five years to build a more sustainable and internationally competitive aquaculture sector.

Implementing Canada's Northern Strategy

DFO and CCG are key players in advancing the Government's Northern Agenda. CCG continues to advance work to acquire Canada's first polar icebreaker, the *CCGS John G. Diefenbaker*. The Department undertook preliminary work to support the construction of Nunavut's first small craft fishing harbour. The Canadian Hydrographic Service (CHS) continued to collect Arctic data in support of Canada's continental shelf claim under the United Nations Convention on the Law of the Sea. To help protect the North's sensitive environment, CCG delivered environmental first-response equipment to nine additional communities across the Arctic.

Ensuring the Long-term Sustainability of our Fisheries and Oceans

Through our International Governance Strategy, Canada worked with other countries, international organizations, and stakeholders to combat overfishing and ecosystem degradation on the High Seas, including, the reform of regional fisheries management organizations such as the Northwest Atlantic Fisheries Organization (NAFO). At home, many aquatic habitats and ecosystems were protected and restored in 2008-09, including, the designation of Canada's seventh Marine Protected Area — the Bowie Seamount.


Maintaining Safe Waters and Harbours

Canadian Coast Guard rejuvenation continued, including, the renewal of the CCG fleet. The Department's Small Craft Harbour Program invested in core small craft fishing harbours while accelerating the divestiture of non-core harbours.

Improving our Effectiveness as a Department

Over the past year, in addition to developing its first corporate risk profile, the Department has made significant progress in renewing its workforce, integrating planning and reporting, and developing a vision for information management and technology. Furthermore, CCG focused on modernizing its fleet, systems infrastructure and providing a platform for marine initiatives.

As we move forward, we will continue to consult our many stakeholders; through informed knowledge we can achieve the best results for Canadians. The opportunity is ours to accomplish much in the fisheries and marine sector — we are ready for the challenge.



The Honourable Gail Shea, P.C., M.P.
Minister of Fisheries and Oceans

Section I: Departmental Overview

In this Section

This document provides a high-level summary of Fisheries and Oceans Canada's (DFO) performance for the year ended March 31, 2009. More detailed performance and contextual information is available at the electronic links provided throughout the document.

Raison d'être

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 much of DFO's work is accomplished outside headquarters, brief highlights of the accomplishments of its six regions are provided.

Summary of Priority Performance

In 2008-09, DFO committed to working on ten operational priorities to further our strategic outcomes and six management priorities to improve the efficiency and effectiveness of the way we do business.

Northern Strategy	●●●●▶▶▶▶
International Governance	●●●○▶▶▶▶
Health of the Oceans	●●●●
Canadian Coast Guard Rejuvenation	●●●○▶▶▶▶
Species At Risk Management	●●●●
People Management	●●●●▶▶▶▶
Departmental Modernization	●●●●▶▶▶▶
Effectiveness of Asset Management	●●●●
Fisheries Renewal	●●●○▶▶▶▶
Aquaculture Governance	●●●●▶▶▶▶
Science Renewal	●●●○▶▶▶▶
Habitat Regulatory Improvement	●●●●
Small Craft Harbours	●●●●▶▶▶▶
Integrated Planning and Reporting	●●●●
Integrated Risk Management	●●●●
Performance Information	●●●●

●●●○
2008-09 Deliverables Mostly Met

●●●●
2008-09 Deliverables Met

▶▶▶▶
Priority continues on into future years

Each priority is discussed in a table format, starting on page 11, with information as follows:

Name of Priority		Type as defined by Treasury Board Secretariat
Synopsis of why the priority is important		
Performance Status: Defining progress toward the priority		
Contributing to	Results Achieved	
<ul style="list-style-type: none"> List of Strategic Outcomes A brief discussion of how the attainment of the priority will affect these outcomes 	<ul style="list-style-type: none"> Highlighting key accomplishments associated with the priority. Lessons Learned: when appropriate, a discussion of the insights gained in pursuing the priority 	

Performance Summary and Financial Analysis

In 2008-09, DFO's actual spending was \$1,747.5 million. This section provides more details on spending by strategic outcome and program activity along with a summary of performance at the strategic outcome level. Detailed analysis of spending trends over time and how the Department uses its financial resources are also presented.

Program Activity Architecture

DFO's Program Activity Architecture (PAA) shows how departmental programs align to DFO's three strategic outcomes. The PAA is used in planning and reporting to allocate resources, designate accountability, deliver programs, and measure results. Each Program Activity is linked to a single Government of Canada Outcome Area, permitting whole of government reporting.



DFO at a Glance

Raison d'être

Fisheries and Oceans Canada (DFO) plays the lead role in managing Canada's fisheries and safeguarding its waters, ensuring safe, healthy, and productive waters and aquatic ecosystems for the benefit of present and future generations. The Department's work is built around three strategic outcomes:

- ❑ 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, effective, and contributes to sustainable wealth for Canadians; and
- ❑ Healthy and Productive Aquatic Ecosystems — ensuring the sustainable development and integrated management of resources in or around Canada's aquatic environment and carrying out critical science and fisheries management activities.

Our Vision

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

DFO's Mandate

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

The Canadian Coast Guard (CCG), a Special Operating Agency within DFO, is responsible for services and programs that contribute to the safety, security, and accessibility of Canada's waterways. CCG supports other government organizations through the provision of a civilian fleet and a broadly distributed shore-based infrastructure.

The *Oceans Act* entrusts the Minister with leading integrated oceans management and providing coast guard and hydrographic services, while the *Fisheries Act* gives the Minister responsibility for the management of fisheries, habitat, and aquaculture. The *Species at Risk Act* gives the Minister responsibilities associated with the management of aquatic species at risk.

Organization

Fisheries and Oceans Canada is a highly decentralized department, with more than eight of every ten employees located outside national headquarters. National headquarters, in Ottawa, establishes national objectives, policies, procedures, and standards for the Department and CCG.

NCR 2008-09 Resources:

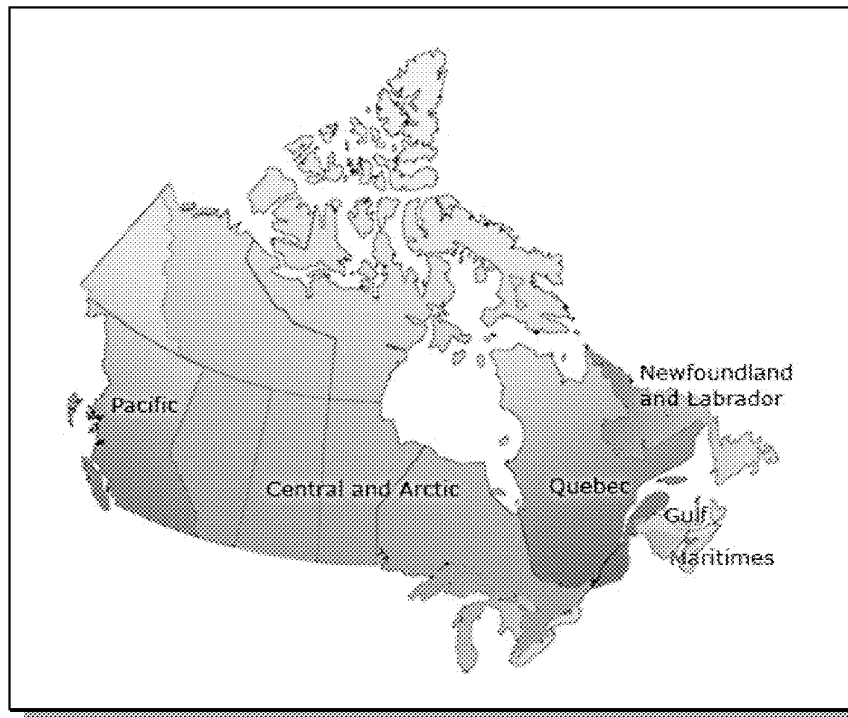
- \$427 million (24%)
- 1,879 FTEs (includes 496 in CCG)

The Department's Regions

In addition to the National Capital Region (NCR), which serves as the Department's national headquarters, DFO has six regions, each headed by a Regional Director General (RDG).

Situated in regional headquarters, RDGs are responsible for delivering programs and activities in their regions in accordance with national and regional priorities and within national performance parameters. The Department operates fifteen major science institutes, laboratories, and experimental centres across the country. Five DFO regions are home to CCG regional headquarters, which are headed by Assistant Commissioners responsible for the day-to-day delivery of Coast Guard services.

The following pages highlight some of the accomplishments made by sectors and Coast Guard in each region.



Newfoundland and Labrador

In 2008-09, the Newfoundland and Labrador Region supported fisheries research, conservation and protection of fisheries resources, environmental protection, and economic development. The Region contributed to DFO's strategic outcomes by:

2008-09 Resources:

- \$242 million (14%)
- 1,565 FTEs (includes 945 in CCG)

- ❑ Facilitating industry rationalization as a means of achieving economic prosperity and fisheries sustainability.
- ❑ Supporting the International Agenda with ecosystem research in the Northwest Atlantic Fisheries Organization (NAFO) regulatory area.
- ❑ Participating in a Canada/Spain multi-beam benthic survey outside the 200 mile limit.
- ❑ Researching environmental conditions on the south coast of Newfoundland.
- ❑ Leading the identification of an Area of Interest to be recommended in 2009-10 for Marine Protected Area designation.
- ❑ Removing two foreign derelict fishing trawlers from Bay Roberts, Newfoundland thereby eliminating the risk of significant environmental damage.
- ❑ Undertaking strategic planning to develop projects which support Canada's Economic Action Plan for delivery in 2009-10 and 2010-11.
- ❑ Participating in Search and Rescue, Environmental Response, and Safety and Security exercises with government and industry, including on-water exercises with Department of National Defence search and rescue helicopters and the Coast Guard Auxiliary, desktop and on-water exercises with offshore vessels and oil handling facilities, and internal communications exercises.

Gulf

The Gulf Region comprises the waters of the Gulf of St. Lawrence adjacent to the eastern coast of New Brunswick, the Northumberland Strait coast of Nova Scotia and western Cape Breton Island, as well as the whole of Prince Edward Island (PEI). It is the only region of DFO, outside the NCR, that is designated bilingual and has over 480 employees, half of whom are bilingual. Regional headquarters are in Moncton, New Brunswick and there are three area offices. Program delivery is supported by 20 field offices. The Gulf Region furthered DFO priorities in 2008-09 by:

2008-09 Resources:

- \$67 million (4%)
- 432 FTEs

- Establishing Environmental Management Plans at all core harbours in the Gulf Region.
- Implementing the precautionary approach methodology for the Southern Gulf Snow Crab fishery to ensure the stock is sustainably managed.
- Assessing 14 of the southern Gulf of St. Lawrence fisheries to assess the scientific and management foundations of the fishery, as well as the impacts of management measures on the stock and corresponding ecosystems.
- Implementing the Aquaculture Innovation and Market Access Program.
- Developing new monitoring and response approaches to foster co-management practices to deal with tunicate infestations in shellfish growing areas of PEI. These advances were instrumental in engaging the industry to conquer the threat of aquatic invasive species in PEI and are a model for aquaculture and fishing industries in Canada and around the world.
- Creating a Science Advisory Committee, consisting of DFO scientists, representatives of academia, non-governmental organizations, and the fishing industry, to review the progress and scientific integrity of various science activities.
- Selecting an Area of Interest for designation as a Marine Protected Area in the Gulf of St. Lawrence.

Maritimes

The Maritimes Region extends from the northern tip of Cape Breton to the New Brunswick-Maine border, encompassing over 8,600 kilometres of coastline and adjacent marine areas including the Bay of Fundy. The regional headquarters are in Dartmouth, Nova Scotia, and there are three area offices, and more than 100 other sites. The Maritimes Region furthered DFO priorities in 2008-09 by:

2008-09 Resources:

- \$259 million (15%)
- 1,796 FTEs
(includes 957 in CCG)

- Establishing Environmental Management Plans at all core harbours in the Maritimes region.
- Partnering with the New Brunswick government and the New Brunswick Salmon Growers Association to implement a Code of Containment for salmon farms.
- Initiating two pilot projects (one coastal and one offshore) to test the applicability of the regional Ecosystem Approach to Management framework.
- Completing a Proposed Recovery Strategy for the North Atlantic Right Whale.
- Building strong collaborations with academia and industry to identify priority knowledge gaps and approaches to address marine renewal energy and tidal in-stream power generation.
- Establishing the Working Agreement for Fish Habitat Management for the Protection of Fish and Fish Habitat with Nova Scotia Power Incorporated.
- Providing, with industry clients, information for third-party certifiers to assess the sustainability of fisheries under eco-certification regimes.

Quebec

The Quebec Region, located within the borders of the province of Quebec, encompasses 6,000 kilometres of coastline. It consists of the St. Lawrence River, the estuary and part of the Gulf of St. Lawrence, as well as the coastal waters off the Magdalene Islands. In Nunavik, it includes the eastern part of James Bay, the eastern part of Hudson Bay, the southern part of the Hudson Strait and Ungava Bay.

2008-09 Resources:

- \$197 million (11%)
- 1,294 FTEs (includes 761 in CCG)

The Quebec Region delivers its programs from 15 cities and communities, and helped further DFO priorities in 2008-09, by:

- ❑ Adopting a strategic planning process (that began in 2007) to implement DFO priorities and issues of specific concern to the region.
- ❑ Preparing a regional action plan to restructure the fishing industry, stabilize access to the resource and relax our licensing policies to contribute to the viability of the fishing industry in Quebec.
- ❑ Ensuring safe and accessible harbour infrastructures.
- ❑ Helping to ensure market access for Canadian sea products, by providing necessary information to certification organizations to evaluate the sustainability of shrimp fishing in the Gulf of St. Lawrence.
- ❑ Implementing tools of the DFO Sustainable Fisheries Framework, such as control lists and fisheries integrated management plans.
- ❑ Elaborating regional guidelines in a First Nations consultation guide and by establishing a regional table to share information on current activities with First Nations stakeholders in the region.
- ❑ Ensuring safe and accessible navigation on the St. Lawrence, through de-icing, escort, and flood control services, and by issuing recommended routes that contribute to shipping competitiveness and to economic prosperity. Over 900 interventions took place during the 2008-09 winter season, involving 2,000 hours of work often in hard and icy conditions.
- ❑ Providing a perfect intervention following the grounding of the Irving Whale in the fragile Magdalene Islands' ecosystem. This was a complex and highly sensitive operation that received considerable media coverage. Our staff demonstrated tremendous knowledge in environmental and public health issues, and effectively addressed the needs of the many stakeholders managing this event. In 2009, the environmental intervention team coordinated over 250 pollution and near-pollution, channel and port clearing events, as well as interventions for drifting sand banks.

Central and Arctic

DFO's largest geographic region, Central and Arctic (C&A) extends west from the Quebec Region to British Columbia's eastern border — excluding the National Capital Region — and up through Canada's far north. It includes: 71 percent of Canada's coastline; 67 percent of the country's fresh waters; 65 percent of Canada's marine waters; 64 percent of Canada's area; and 55 percent of Canada's population. The region's activities are important for sovereignty, northern commerce, safety and security, sustainable resource development, and understanding and protecting ecosystems and habitats.

2008-09 Resources:

- \$187 million (11%)
- 1,217 FTEs (includes 585 in CCG)

Freshwater management is, constitutionally, a shared responsibility with provinces and territories and C&A often holds a lead role coordinating with interjurisdictional stakeholders (provinces and territories) and with the United States. In 2008-09, C&A actively supported integrated management of the Great Lakes — sharing bi-national responsibilities and working with the US through formal and informal agreements to implement program and science objectives. More broadly, C&A worked actively with the International Joint Commission on the Great Lakes and the Red River. Central and Arctic advanced the Department's freshwater initiatives and Canada's Northern Strategy.

The C&A Region contributed to DFO's strategic outcomes in 2008-09 by:

- ❑ Providing stronger, more effective tools for meeting sustainability goals such as developing a modern fishing industry; delivering long term, stable benefits from fisheries resources; and supporting the renewal of DFO's freshwater management activities.
- ❑ Finalizing the regulatory package for the proposed Tarruq Niryutait Marine Protected Area.
- ❑ Developing the Integrated Oceans Management Plan for the Large Ocean Management Area in the Beaufort Sea.
- ❑ Issuing 288 authorizations under the fish habitat provisions of the *Fisheries Act*.
- ❑ Reviewing more than 110 major natural resource projects pursuant to DFO obligations under the *Canadian Environmental Assessment Act* (43 projects are in the active environmental assessment stage, approximately 45 projects are in the pre-environmental assessment stage and 24 projects are in the post-environmental assessment follow-up stage).
- ❑ Providing marine and freshwater research (including the Experimental Lakes Area) and providing advice across the region to support effective management of the regions fisheries (including to co-management partners in the North).
- ❑ Defining a network of critical harbours; scoping and designing a harbour in Pangnirtung, Nunavut; repairing existing harbours; and working with local stakeholders across the region to develop two Harbour Authorities which will eventually manage between four and six harbours.
- ❑ Working with the province of Manitoba to develop a new governance framework for interjurisdictional cooperation on issues of common interest within our respective mandates.
- ❑ Supporting the City of Hamilton in the conduct of a four day underwater survey of the wreck site of US naval vessels *Hamilton* and *Scourge* in western Lake Ontario. The survey culminated with an at-sea memorial service to honour the lives lost when the two vessels went down in a vicious storm during the War of 1812.
- ❑ Expanding coverage in the Arctic by the CCG Auxiliary — now active in a number of northern communities including Iqaluit, Cambridge Bay, Aklavik, Yellowknife, Hay River, and Rankin Inlet.

Pacific

Pacific Region has over 27,000 kilometres of coastline and hundreds of fish species to protect, manage, and enhance. In 2008-09, the region was responsible for overseeing west coast marine resources and the inland fisheries of British Columbia and the Yukon Territory. As the Pacific Region is entrusted with managing and protecting Pacific salmon, it played a role in the stewardship of 105 river systems in British Columbia and the transboundary northern rivers, the Stikine and Taku. Pacific Region made significant contributions to DFO's strategic outcomes by:

2008-09 Resources:

- \$369 million (21%)
- 2,325 FTEs (includes 977 in CCG)

- ❑ Improving the sustainability of West Coast salmon stocks through continued implementation of the Wild Salmon Policy, revitalizing the Salmon Enhancement Program and renewing the Pacific Salmon Treaty bilateral agreement with the United States.
- ❑ Increasing collaboration with stakeholders to inform policy development and decision-making through the first Pacific North Coast Integrated Management Area forum in March 2009.
- ❑ Enhancing the involvement of First Nations in fisheries resource management through the Pacific Integrated Commercial Fisheries Initiative and signing the Pacific North Coast Collaborative Oceans Governance Memorandum of Understanding.
- ❑ Protecting fish and fish habitat through the designation of the Bowie Seamount as Canada's seventh Marine Protected Area.

Context for Performance

DFO seeks to provide Canadians with the benefits of strong economic growth, knowledge and innovation, healthy environments, and safe and secure communities.

In the global economy, economic growth is supported by marine trade. Safe and accessible waterways, modern navigation aids, hydrographic products and services, reliable small craft harbours, and collaborative partnerships with domestic and international stakeholders all contribute to this objective. Work with other nations to facilitate trade and marine commerce is based on a sound strategy of international engagement.

Healthy and productive aquatic ecosystems are the basis for sustainable fisheries and other marine enterprises that provided economic benefits for Canadians. Sustained use of our aquatic resources is fostered by an increased understanding of these resources and the ecosystems within which they exist, robust conservation and protection measures, and effective environmental response to emergencies. Continued work on the identification, protection, and recovery of species at risk helps maintain the integrity and biodiversity of our aquatic ecosystems and the future sustainability of our resources.

Key Corporate Risks

In 2008-09, DFO established formal processes for risk management and developed its first Corporate Risk Profile¹. The profile was approved by the Departmental Management Committee for the first time in April 2009 and details were provided in the *2009-10 Report on Plans and Priorities* (RPP). Risks pertinent to our outcomes were identified and mitigation strategies developed. Risk profiles were developed for most areas within the Department. Risk management is being increasingly integrated into planning and priority-setting within the Department.

Summary of Financial and Human Resources

Financial Resources, 2008-09

	Planned Spending	Total Authorities	Actual Spending
\$ (millions)	1,738.4	1,860.3	1,747.5

Human Resources, 2008-09

	Planned	Actual	Variance
† (FTEs)	10,505	10,507	2

Note: The 2008-09 RPP showed the correct departmental total of 10,505 FTEs. However, FTE counts shown for the specific strategic outcomes and program activities contained an error in the allocation of program enablers; when added up, they provided a total of 10,452 FTEs. This discrepancy has been corrected in this report. The data for human resources includes only those resources associated with *Vote 1, Operating expenditures*.

¹ <http://www.dfo-mpo.gc.ca/dpr-rmr/2008-09/index-eng.htm>

DFO Priorities

The tables below summarize the Department's progress towards the 2008-09 operational and management priorities.

Contribution of Operational Priorities to Strategic Outcomes

Northern Strategy New in 2008-09	
<p>To ensure the safety, security, and health of our northern waters and resources by developing them in an environmentally sound and sustainable manner. Scientific research and understanding of these fragile ecosystems forms the basis for their use and for international recognition of Canada's claims. Safe marine navigation and services, and ready harbours will support commerce in the North. The multi-departmental Northern Strategy is led by Indian and Northern Affairs Canada (INAC).</p> <p style="text-align: center;">Performance Status: 2008-09 Deliverables Met ●●●●</p>	
<p>Contributing to...</p> <ul style="list-style-type: none"> ❖ Safe and Accessible Waterways ❖ Sustainable Fisheries and Aquaculture ❖ Healthy and Productive Aquatic Ecosystems <p>The Arctic region is a maritime domain of territorial coasts, waterways, islands, and seas. Northern communities benefit from maritime commerce and supply.</p> <p>Sound management of our northern fisheries will allow Canadians to benefit from their use. Protection of habitats and aquatic ecosystems will ensure that our northern waters can be used in a sustainable manner and that off-shore resources can be exploited in an environmentally safe manner. Among other benefits, delineation of the continental shelf will assert our sovereign rights to natural resources.</p>	<p>Results Achieved</p> <ul style="list-style-type: none"> ■ Completed a Mission Profile for a new polar icebreaker. ■ Notified the International Maritime Organization of Canada's intention to begin satellite broadcast service in two Arctic Navigational Areas. ■ Completed a risk assessment and issued a request for proposal for equipment to respond to spills in the Arctic. ■ Supported the federal maritime security agenda for Operation NANOOK. ■ Worked with the Canadian Coast Guard Auxiliary to increase the number of volunteer Search and Rescue Units in the North. ■ Provided first-response equipment to nine additional communities in the Arctic. ■ Collected bathymetric data in support of Canada's sovereign claim in the Arctic under the United Nations Convention on the Law of the Sea; data collection is on track for the 2013 deadline. ■ Undertook preliminary design work to build a new fishing harbour at Pangnirtung, Nunavut, with construction to start in late 2009. ■ Initiated the Beaufort Sea Ecosystem Research Initiative. ■ Worked closely with partners in Nunavut fisheries to identify significant harvest potential. ■ Proposed Darnley Bay, near Paulatuk, for further assessment under the Marine Protected Area planning process. ■ Obtained approval for an Integrated Ocean Management Plan for the Beaufort Sea Large Ocean Management Area from the Regional Coordination Committee, and obtained the support of the Beaufort Sea Partnership. ■ Undertook hydrographic surveys in priority areas that link Arctic communities to the main shipping channels. ■ Worked closely with INAC on the feasibility study for the High Arctic Research Institute and associated science programming. ■ Began shifting International Polar Year activities from fieldwork to data analysis and synthesis of information.

Fisheries Renewal**Ongoing since 2004**

To ensure the sustainable use of Canada's marine ecosystems and a fishing industry that is viable, a robust fishery sector needs to be supported by a modern fisheries governance regime that is accountable, predictable, and transparent to the people it governs.

Performance Status: 2008-09 Deliverables Mostly Met ●●●○**Contributing to...**

- ※ Sustainable Fisheries and Aquaculture

The renewal agenda focuses on improving sustainability and economic viability, modernizing the decision-making system and building new relationships with resource users based on shared stewardship.

Results Achieved

- Created an Assistant Deputy Minister-level lead for Fisheries Renewal.
- Launched the Fisheries Renewal Directorate.
- Created a Departmental Management Committee-level Fisheries Renewal Steering Committee.
- Developed a Sustainable Fisheries Framework with ministerial approval.
- Drafted DFO guidelines on eco-certification and worked with Marine Stewardship Council to address key issues related to eco-certification.
- Created a traceability process for European Union illegal, unreported, and unregulated regulation.
- Proposed a policy for the development of an Access and Allocation Framework.
- Initiated a review of Fisheries Management engagement processes.
- Established a Fisheries Renewal website.
- Supported parliamentary consideration of a renewed *Fisheries Act*.

International Governance**Ongoing since 2003**

Seeks to rectify weaknesses in international fisheries and oceans governance that have threatened Canada's economic and environmental interests. These weaknesses have fostered overfishing, including illegal, unreported and unregulated (IUU) fishing and a deteriorating global marine environment.

Performance Status: 2008-09 Deliverables Mostly Met ●●●○**Contributing to...**

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

Many of our waterways and fisheries, as well as our oceans, are shared with other nations. Canada must work with these nations to protect aquatic ecosystems, habitats, and fisheries. Participation in international fora helps to ensure that Canada can protect its aquatic resources and waterways.

Results Achieved

- Amendments to the 1979 NAFO Convention have been tabled in Parliament, and are awaiting ratification.
- Implemented NAFO reforms to protect vulnerable marine ecosystems and to extend the influence of this process to other Regional Fisheries Management Organizations, specifically:
 - ❖ Closure of the Fogo Seamounts to fishing;
 - ❖ Adoption of an Interim Exploratory Fishery Protocol for new fishing areas; and
 - ❖ Interim encounter provisions for Vulnerable Marine Environments in both fished and unfished areas of the NAFO Regulatory Area.
- Launched 51 science projects (single year and multi-year) to support and advance decision and policy making in three areas: straddling and highly migratory species; understanding ocean variability and marine ecosystems; and, protecting high seas habitat and community.
- Provided expert advice and leadership in the development of Food and Agriculture Organization (FAO) guidelines on managing deep-sea fisheries, guidelines on responsible fish trade, and negotiations of global port State treaty.
- Secured intergovernmental endorsement of Ecologically and Biologically Sensitive Areas criteria at the Convention on Biological Diversity Conference of Parties.

Aquaculture Governance Ongoing since 2003 To stimulate substantial growth in the Canadian aquaculture industry's value in an environmentally sustainable manner by removing and/or reducing developmental constraints and creating the necessary conditions for industry success. Performance Status: 2008-09 Deliverables Met ●●●●	
Contributing to... <ul style="list-style-type: none"> ✧ Sustainable Fisheries and Aquaculture <p>Ensuring that the Canadian aquaculture industry is positioned to take advantage of the international demand for farmed seafood products in an environmentally responsible manner helps Canada sustainably use its aquatic resources.</p>	Results Achieved <ul style="list-style-type: none"> ■ Developed and implemented a framework for aquaculture governance. ■ Established strong federal-provincial-territorial relations at the national and regional level. ■ Strengthened coordination committees. ■ 26 industry projects with \$4.6 million from DFO leveraged over \$26 million in industry investment and market access. ■ Initiated 64 collaborative research and development projects² with industry. ■ Initiated 16 research projects to address gaps in our knowledge of ecosystems' carrying capacity and the far-field environmental effects of aquaculture. ■ Made progress in taking the concept of Integrated Multi-Trophic Aquaculture³ from the laboratory into pre-commercial production.
Health of the Oceans New in 2008-09 To improve the health of the ocean environment through protection and conservation work including establishment of Marine Protected Areas, scientific research, new national Oceans Centres of Expertise, and enhancing spill-response capacity and emergency planning in the Arctic Ocean. Performance Status: 2008-09 Deliverables Met ●●●●	
Contributing to... <ul style="list-style-type: none"> ✧ Healthy and Productive Aquatic Ecosystems <p>Ensuring that Canada's three oceans are healthy and protected is the primary objective of this initiative. Healthy and productive aquatic ecosystems are the basis of sustainable fisheries, healthy marine environments, and marine activities and of the economic and social benefits that accrue from them.</p>	Results Achieved <ul style="list-style-type: none"> ■ Launched national consultations to engage Canadians in identifying the next candidates for designation as Marine Protected Areas (MPAs) under the <i>Oceans Act</i>. ■ Launched work with the provinces and territories to design a national system of MPA networks. ■ Developed a suite of indicators to assess and monitor Arctic ecosystems, supporting Arctic Council initiatives. ■ Established four new Centres of Expertise. ■ Commenced acquisition of equipment to improve Canada's oil spill response capacity in the Arctic. ■ Provided a sound scientific footing for a number of Health of the Oceans initiatives (e.g., MPA monitoring and State of the Oceans Reporting).
Science Renewal Ongoing since 2005 To develop and implement a long-term strategic approach and a multi-year operational planning approach that builds a national capacity for aquatic science to continue to provide high-quality, timely, and relevant scientific advice. Performance Status: 2008-09 Deliverables Mostly Met ●●●○	
Contributing to... <ul style="list-style-type: none"> ✧ Safe and Accessible Waterways ✧ Sustainable Fisheries and Aquaculture ✧ Healthy and Productive Aquatic Ecosystems <p>Sound scientific knowledge and advice is the foundation of all DFO policies and programs. A renewed Science Program will ensure that information is available to support both decision and policy-making on departmental and Government of Canada priorities.</p>	Results Achieved <ul style="list-style-type: none"> ■ Developed an International Science Strategy, Five-Year Research Plan, and Science Outreach Strategy and Knowledge Translation Strategy. These strategies and plans clearly articulate the Science Program's future direction. ■ Established six Ecosystem Research Initiatives (ERI) and the Climate Change Science Initiative (CCSI) to focus on the priority areas of research identified in the <i>Fisheries and Oceans Canada Five-Year Research Plan (2008-2013)</i>⁴. ■ Improved the alignment of Science efforts with departmental and Government of Canada priorities. <p>Lessons Learned: <i>Although the overarching framework to support the transition to an ecosystem-based approach to science is complete, implementation of the ecosystem-based approach is an incremental process, as it entails a new way of thinking, new delivery mechanisms (e.g., ERIs, CCSIs, centres of expertise) and increased interdisciplinary scientific expertise.</i></p>

² <http://www.dfo-mpo.gc.ca/science/enviro/aquaculture/acrdp-pcrda/index-eng.htm>
³ http://www.dfo-mpo.gc.ca/aquaculture/sheet_feuillet/polyculture-eng.htm
⁴ <http://www.dfo-mpo.gc.ca/science/Publications/fiveyear-plan-quinquennal/index-eng.html>

Canadian Coast Guard (CCG) Rejuvenation**Ongoing since 2004**

Seeks to strengthen client-focused service delivery; support Canada's maritime security agenda; strengthen the fleet's capacity to carry out its missions; modernize Canada's aids to navigation and marine communications and traffic services assets; and strengthen the effectiveness of our workforce.

Performance Status: 2008-09 Deliverables Mostly Met ●●●○**Contributing to...**

- ※ Safe and Accessible Waterways

Supporting...

- All Strategic Outcomes

CCG supports safety, security, and maritime commerce through a maritime presence, aids to navigation, and other marine services. CCG also makes it possible for DFO and other government departments to carry out conservation and protection activities, scientific research, and environmental response. Ensuring that CCG has the people, fleet, shore-based infrastructure, and management to fulfil these duties supports all of our strategic outcomes.

Results Achieved

- Strengthened CCG as a client-focused agency by continuing to engage clients in the Levels of Service review and developing Service Level Agreements with internal CCG clients.
- Continued Fleet Renewal, including the delivery of a new air cushion vehicle to Quebec Region.
- Initiated engagement with the shipping industry on CCG's vision and strategy for "e-navigation".
- Contributed to Canada's maritime security agenda by leading the development of the international Long Range Identification and Tracking System and implementing the Automatic Identification System.
- Developed an action plan and began to address vessel maintenance management issues. Specifically, progress was made in clarifying and documenting the roles, responsibilities, and accountabilities for vessel maintenance management and in making current policies and procedures more accessible to CCG personnel.
- Established a National Labour Force Renewal team to lead recruitment and succession planning activities and finalize the structure of CCG's Standard Organization.
- Developed a new mission and vision statement and continued work towards national consistency in planning, reporting, and management practices.

Lessons Learned: Despite setbacks with the initial competitive bidding process, a new process for the procurement of up to 12 mid-shore patrol vessels was launched in March 2009.

Habitat Management Regulatory Improvement Initiatives**Revised in 2007-08**

To improve the efficiency and effectiveness of regulatory reviews and environmental assessments, particularly those addressing major natural resource projects, while enhancing the conservation and protection of fish habitat.

Performance Status: 2008-09 Deliverables Met ●●●●**Contributing to...**

- ※ Healthy and Productive Aquatic Ecosystems

The Habitat Management Program seeks to protect fish habitat and ecosystems from the adverse effects of resource development. Regulatory improvements ensure that economic development can occur in a timely and efficient manner while habitat is protected.

Results Achieved

- Improved Habitat Management regulatory reviews and environmental assessments.
- Collaborated with provincial governments and industry partners.
- Reduced the number of steps in the environmental assessment process.
- Ensured that DFO reviews are done in a timely manner and are not unduly impeding the flow of stimulus funds by:
 - ❖ providing relevant information to proponents; and
 - ❖ working to better categorize incoming projects.

Species At Risk Management New in 2007-08	
To prevent aquatic species from being extirpated or becoming extinct; to provide for the recovery of species threatened by human activity; and to manage species of special concern to prevent them from becoming endangered or threatened.	
Performance Status: 2008-09 Deliverables Met	
Contributing to... <ul style="list-style-type: none"> Healthy and Productive Aquatic Ecosystems <p>The health of aquatic ecosystems depends on the health of their many component species. The protection and restoration of species that are threatened or at risk supports the health and productivity of aquatic ecosystems, which are in turn the basis of sustainable fisheries.</p>	Results Achieved <ul style="list-style-type: none"> Finalized and posted a recovery strategy for the Nooksack Dace. Provided scientific data for the 20 species assessments undertaken by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) in 2008-09. Undertook reviews for six species which will be assessed in future years. Commenced or continued 19 recovery strategies and 11 management plans for SARA-listed species. Participated in the parliamentary review of the <i>Species at Risk Act</i> (SARA). Developed, together with Environment Canada and Parks Canada Agency, a federal SARA Policy Suite to guide a consistent and coherent approach to the implementation of SARA. <p><i>In 2008-09, the Department's Species at Risk Secretariat was renamed Species at Risk Management and was integrated into the Oceans and Habitat Management Sector as a separate program activity.</i></p>

Small Craft Harbours New in 2007-08	
To support the activities of commercial fish harvesters and other marine users.	
Performance Status: 2008-09 Deliverables Met	
Contributing to... <ul style="list-style-type: none"> Safe and Accessible Waterways <p>Ensuring that small craft harbours are safe, well managed, and environmentally secure contributes to the economic prosperity of the fishing industry and supports other marine activities.</p>	Results Achieved <ul style="list-style-type: none"> Maintained a national network of safe and accessible commercial fishing harbours to meet the needs of the fishing and aquaculture industries. These harbours are operated and managed by viable Harbour Authorities. Divested seven recreational and non-core fishing harbours. Strengthened the management of the Small Craft Harbours (SCH) Program through the ongoing development and implementation of strategic and operational plans. Implemented recommendations of the Functional Review of SCH. <p>Lessons Learned: <i>The amalgamation of Harbour Authorities can benefit the harbours involved through improved efficiency, including the need for fewer volunteers, the ability to hire shared staff such as harbour managers, and the ability to secure better prices for construction.</i></p>

Contribution of Management Priorities to Strategic Outcomes

People Management Ongoing since 2003	
To address current and future employment needs by improving the consistency of program and service delivery across the organization, improving the capacity to fill vacancies, reducing employment equity gaps, meeting official languages requirements, and addressing learning needs. This priority was previously called Human Resources Modernization.	
Performance Status: 2008-09 Deliverables Met	
Contributing to... <ul style="list-style-type: none"> All Strategic Outcomes <p>Effective and efficient management of human resources helps to ensure that the Department will have a knowledgeable and representative workforce to support all of its programs.</p>	Results Achieved <ul style="list-style-type: none"> Completed national structures and a plan for national model work descriptions (increase of 15 percent in number of classified model jobs). Launched the Integrated Operational and Human Resource Planning on-line tool to better link business objectives to human resources needs. Implemented succession planning strategies for vulnerable groups. Implemented fast-track staffing initiative in the NCR to streamline routine staffing actions. Implemented national and regional collective staffing processes. Implemented multi-year employment equity and official languages action plans. Implemented learning and performance management programs. Initiated negotiations for Essential Services Agreements with all unions; progress has been promising: <ul style="list-style-type: none"> 90-95% of Radio Operators (RO) group employees have been accepted as essential; an agreement in principle has been reached with the Union of Canadian Transportation Employees identifying 100% of Fleet as essential; and discussed proposals from other unions and initiated negotiations.

Integrated Planning and Reporting**Ongoing since 2004**

To improve management decisions, business plans and parliamentary reports by integrating risk management, environmental scanning, priority setting, human resources planning, parliamentary reporting and other management processes such as information management under a single framework.

Performance Status: 2008-09 Deliverables Met ●●●●**Contributing to...**

- All Strategic Outcomes

Planning for results, delivering results, measuring results, reporting on results achieved, and learning from performance are the fundamentals of results-based management. Through a rigorous approach to planning and reporting, DFO can tailor its programs to make the most effective use of its resources.

Results Achieved

- Integrated the human resources implications associated with departmental plans and priorities in the Department's second *Integrated Business and Human Resources Plan*.
- Developed an Integrated Planning and Reporting Framework using the *Report on Plans and Priorities* as a focus from which other plans cascade.
- Used this framework for the 2009-10 integrated planning process.
- Included regional information in key departmental planning and reporting documents.

Lessons Learned: *Integrating planning and reporting required the development of a clear, understandable framework. Recognizing that three distinct cycles existed showed how the cycles interact and the need to advance key decision points to synchronize the cycles. Obtaining senior management commitment to key dates for decision-making was the first critical step in implementing the framework.*

Departmental Modernization**New in 2008-09**

To revitalize the department's Information Technology (IT) Management Model, rationalize the IT infrastructure and to establish common Information Management (IM) operating parameters and principles within DFO to make better use of departmental information assets. This priority builds on the Departmental Renewal Priority begun in 2006-07.

Performance Status: 2008-09 Deliverables Met ●●●●**Contributing to...**

- All Strategic Outcomes

Knowledge and information are critical to the design, development, delivery, and monitoring of programs. A modern, efficient, and effective information management/information technology infrastructure will help to ensure that decision-makers have the information they need, when they need it, to manage their programs.

Results Achieved

- DFO was honoured with a Government Technology Exhibition and Conference (GTEC) Gold Medal for excellence in Internal Business Operations.
- Completed the Information Technology Sustainability Project on March 31, 2009.
- Achieved 100 percent compliance with all 52 requirements of the Management of Information Technology Security (MITS) Program, thereby enhancing the Department's IT Security position.
- Made progress towards establishing the IM strategy implementation plan.

Integrated Risk Management**Previously committed to in 2006-07**

To ensure risk is managed effectively across the Department and is an integral part of decision-making with clear accountabilities for risk mitigation and ongoing senior management monitoring. Risk management, including the identification and prioritization of risks and the development of mitigation strategies, is a key component of the Integrated Planning and Reporting Framework. The 2006-07 Management Accountability Framework⁵ (MAF) assessment process identified risk management as a priority for the Department.

Performance Status: 2008-09 Deliverables Met ●●●●**Contributing to...**

- All Strategic Outcomes

DFO works in a complex and changing environment. By actively assessing the risks that may affect the attainment of its strategic outcomes and developing strategies to mitigate them, the Department is prepared to deal with most contingencies.

Results Achieved

- 2008 Corporate Risk Profile was approved and integrated into the annual planning and reporting cycle. Highlights were included in the 2009-10 RPP.
- Maintained an acceptable rating in the MAF Effectiveness of Corporate Risk Management area of management.
- Developed a process to:
 - ❖ Implement risk management;
 - ❖ Keep the Corporate Risk Profile current; and
 - ❖ Establish and monitor mitigation measures.

⁵ <http://www.tbs-sct.gc.ca/maf-crg/index-eng.asp>

Effectiveness of Asset Management

New in 2008-09

To develop and improve integrated asset information systems and processes through the new investment planning policy to ensure that accountabilities and all information systems are fully integrated into DFO's management structure and overall program planning. The 2006-07 Management Accountability Framework assessment process identified asset management as a priority for the Department.

Performance Status: 2008-09 Deliverables Met ●●●●

Contributing to...

- All Strategic Outcomes

DFO has one of the largest asset bases in the Canadian federal government. The effective management of this asset base supports the delivery of all the Department's programs and services.

Results Achieved

- Developed an action plan and commenced work to ensure compliance with Treasury Board's new policy on Investment Planning. A fully compliant Investment Plan is to be in place on April 1, 2010.
- Completed 778 assessments of suspected contaminated sites and remediated or risk-managed 164 sites, under the Federal Contaminated Sites Action Plan.
- Developed and approved a high-level Real Property Accountability Framework, outlining the responsibilities of the three major custodians of real property within the Department.
- Addressed concerns from the MAF assessment and ensured compliance with TB policy, by:
 - ❖ Providing geospatial property information to Treasury Board Secretariat to update DFO holdings in the Directory of Federal Real Property (DFRP), resulting in a conditional DFRP Certification.
 - ❖ Commenced development of an integrated Real Property Information System.

Integration, Use, and Reporting of Performance Information

New in 2008-09

To better integrate financial and non-financial performance information into the assessment of results and the extent to which program objectives are achieved. The 2006-07 Management Accountability Framework assessment process identified performance management as a priority for the Department.

Performance Status: 2008-09 Deliverables Met ●●●●

Contributing to...

- All Strategic Outcomes

Sound, reliable, and timely financial and non-financial information supports the effective management of all of DFO's programs and services.

Results Achieved

- Integrated financial and human resource data with clearly identified performance expectations and targets using the Performance Measurement Framework in the *2009-10 Report on Plans and Priorities*.
- Aligned the Departmental Financial Report, which provides information on resource allocation and use, with the Department's Program Activity Architecture.
- Identified targets for expected results and published them in the *2009-10 Report on Plans and Priorities*.

Summary of Departmental Spending (\$ Million)

Safe and Accessible Waterways					
	2007-08	2008-09			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
■ Canadian Coast Guard	692.3	714.3	763.2	783.0	709.6
■ Small Craft Harbours	112.7	108.6	108.7	122.1	119.8
■ Science for Safe and Accessible Waterways	51.2	46.7	46.9	52.1	52.0
Subtotal	856.2	869.6	918.8	957.2	881.8
Sustainable Fisheries and Aquaculture					
	2007-08	2008-09			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
■ Fisheries Management	364.8	385.8	386.8	413.3	397.7
■ Aquaculture Management	5.4	5.0	5.0	13.2	11.4
■ Science for Sustainable Fisheries and Aquaculture	209.2	211.4	215.0	241.7	225.6
Subtotal	579.4	602.2	606.8	668.2	634.8
Healthy and Productive Aquatic Ecosystems					
	2007-08	2008-09			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
■ Oceans Management	20.2	23.9	24.2	26.3	21.1
■ Habitat Management	77.8	109.3	110.8	123.4	124.2
■ Science for Healthy and Productive Aquatic Ecosystems	83.1	77.0	77.8	85.2	86.2
Subtotal	181.1	210.2	212.8	234.9	231.4
All Strategic Outcomes					
Total	1,616.6	1,682.0	1,738.4	1,860.3	1,747.5
Less: Non-respendable Revenue	(61.5)	n/a	(45.9)	n/a	(59.5)
Plus: Services Received without Charge	95.3	n/a	99.9	n/a	112.9
Total Departmental Spending	1,650.5	1,682.0	1,792.4	1,860.3	1,800.9
† (FTEs)	10,350	n/a	10,505	n/a	10,507

Note:

Because of rounding, figures may not add to the totals shown. Financial and human resource figures include Program Enablers. The data for human resources includes only those resources associated with *Vote 1, Operating expenditures*. FTE figures include Program Enablers (2007-08 Actuals: 1,782; 2008-09 Planned: 1,879; 2008-09 Actuals: 1,797).

Summary of Performance by Strategic Outcome

	Program Activity	Alignment to Government of Canada Outcomes
Safe and Accessible Waterways		
<ul style="list-style-type: none"> Canadian Coast Guard facilitated maritime commerce with Aids to Navigation, Waterways Management, and Marine Communication and Traffic Services; provided ice-breaking, emergency response, search and rescue, and northern supply service; provided the maritime presence for a safe and secure Canada; and supported various activities of DFO and other government departments. 	Canadian Coast Guard	Safe and secure communities
<ul style="list-style-type: none"> Small Craft Harbours provided access to a network of over 1,100 harbours that were open, safe, and in good repair. Over 5,000 volunteers from Harbour Authorities contributed to the management and operations of small craft harbours. 	Small Craft Harbours	Strong economic growth
<ul style="list-style-type: none"> Canadian Hydrographic Service distributed 204,900 official paper marine navigational charts, publications, and information brochures; undertook surveys in priority areas that link Arctic communities to the main shipping channels; and continued to collect bathymetric data in support of Canada's submission on the outer limits of the continental shelf in the Arctic and Atlantic Oceans. 	Science for Safe and Accessible Waterways	An innovative and knowledge-based economy
Sustainable Fisheries and Aquaculture		
<ul style="list-style-type: none"> Fisheries Management collected data for 109 major stocks in Canada through a survey of fishery managers and biologists; the data was captured by a fisheries checklist. 	Fisheries Management	Strong economic growth
<ul style="list-style-type: none"> Aquaculture developed and posted a discussion document to engage stakeholders in the aquaculture sector in a dialogue to resolve the constraints facing the industry and its subsectors; implemented a Code of Containment for breaches of containment on salmon farms; and introduced a checklist to report to Canadians on aquaculture sustainability. 	Aquaculture	Strong economic growth
<ul style="list-style-type: none"> In response to direct requests for peer-reviewed science advice in support of sustainable fisheries and aquaculture, the Science Program produced 175 publications, including science advisory reports, research documents, proceedings, and science responses. 	Science for Sustainable Fisheries and Aquaculture	An innovative and knowledge-based economy
Healthy and Productive Aquatic Ecosystems		
<ul style="list-style-type: none"> Oceans launched the Pacific North Coast Integrated Management Area, established the Bowie Seamount as Canada's seventh Marine Protected Area, and made progress on the development of an integrated management plan for the Beaufort Sea Integrated Management Area and the Placentia Bay/Grand Banks Large Oceans Management Area. Four new Centres of Expertise were established. 	Oceans Management	A clean and healthy environment
<ul style="list-style-type: none"> Habitat Management continued to protect habitat through the regulatory review process and improved the way Environmental Assessments are conducted. 	Habitat Management	A clean and healthy environment
<ul style="list-style-type: none"> Approximately 45 advisory publications, including science advisory reports, research documents, proceedings, and science responses were produced in direct support of science advice requirements associated with healthy and productive aquatic ecosystems. 	Science for Healthy and Productive Aquatic Ecosystems	An innovative and knowledge-based economy

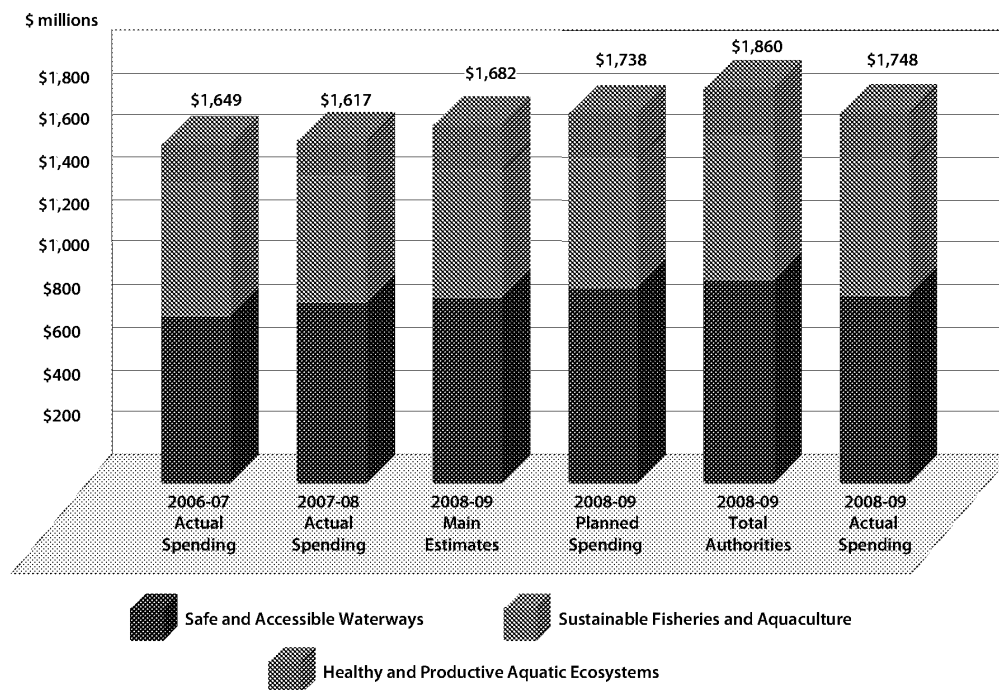
Expenditure Profile

Voted and Statutory Items in the Main Estimates (\$ million)

Vote or Statutory Item	Vote/Statutory Wording	2006-07 Actual Spending	2007-08 Actual Spending	2008-09	
				Main Estimates	Actual Spending
1	Operating Expenditures	1,196.5	1,210.8	1,178.3	1,278.3
5	Capital Expenditures	195.2	211.2	294.7	249.4
10	Grants and Contributions	141.1	73.4	90.5	94.6
(S)	Minister of Fisheries and Oceans Canada salary and motor car allowance	0.1	0.1	0.1	0.1
(S)	Contributions to Employee Benefit Plans	114.7	118.1	118.6	122.6
	Spending of the proceeds of surplus Crown Assets	1.3	3.1	n/a	2.6
	Total - Fisheries and Oceans Canada	1,648.9	1,616.6	1,682.0	1,747.5

Financial Analysis

The Department's total Actual Spending for 2008-09 was \$1,747.5 million. Spending generally increased between 2003-04 and 2008-09.



Planned Spending to Total Authorities: From \$1,738 Million to \$1,860 Million

Planned Spending for 2008-09 was \$1,738.4 million, whereas the Total Authorities for the Department are \$1,860.3 million, representing a change of \$121.9 million. The differences are primarily due to:

- Increases:
 - \$62.2 million from deferred spending carried forward from 2007-08;
 - \$45.4 million in additional funding for fuel costs, implementation of the New Aquaculture initiative, divestiture of non-core harbours, and funding for International Fisheries;
 - \$53.4 million for salary expenditures related to approved collective agreements and other associated benefits;
 - \$4.0 million for statutory adjustments; and
 - \$3.9 million related to the sale of Crown assets.
- Decrease:
 - \$47.0 million due to delays in the planned procurement of offshore science vessels.

Total Authorities to Actual Spending: From \$1,860 Million to \$1,747 Million

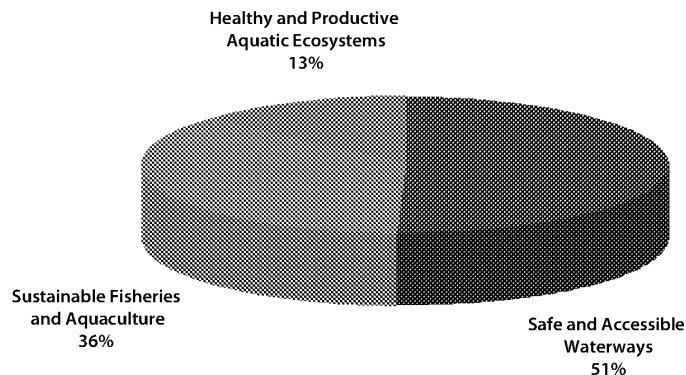
The difference of \$112.8 million is largely explained by:

- \$88.1 million in Operating, Capital, and Grants and Contributions spending that was deferred and carried forward to future years for such initiatives as the Mid-Shore Patrol Vessels, Coast Guard special non-lapsing capital carry forward, Operating Budget Carry Forward, and the Atlantic Integrated Commercial Fisheries Initiative (AICFI);
- \$14.3 million in lapsing appropriations primarily due to an amount frozen to offset a forecasted shortfall in revenue;
- \$7.1 million in employee benefit premiums that are charged when funds are transferred from operating to cover salary costs; and
- \$3.2 million in general lapses – that is, funds that the Department did not spend. These include items such as \$1.5 million in operating funds that are not eligible to be carried forward to future years and delays in the receipt of goods and services that prevent spending in the current year.

DFO carried forward \$88.1 million of the \$112.8 million variance for spending in future years. Only \$24.7 million; approximately 1 percent of total approved spending authority, remained unspent and was lapsed — this highlights the accuracy of departmental budget forecasting.

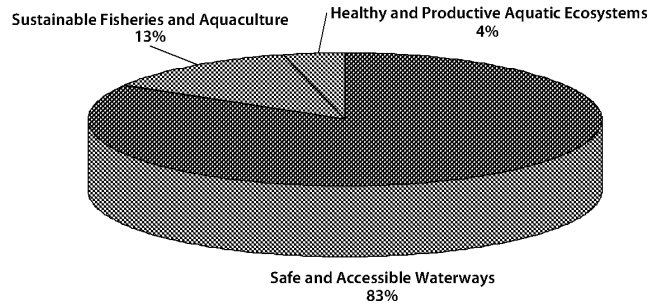
Spending by Strategic Outcome

The Department's total Actual Spending was \$1,747.5 million. Spending in the Safe and Accessible Waterways strategic outcome accounted for more than 50% of all spending. Approximately two-thirds (2/3) of total departmental spending was due to two program activities: the Canadian Coast Guard (40%); and Fisheries Management (23%). The combined Science program activities in the three strategic outcomes accounted for 21% of the Department's total spending.



Operating expenditures make up 81% of DFO's spending.

Capital Spending forms the next largest share (14%) of actual spending. Coast Guard spending on vessels infrastructure accounts for approximately 69% of capital spending. Expenditures on Small Craft Harbours makes up another 13% and the Department's three Science Program Activities account for most of the remainder (15%).

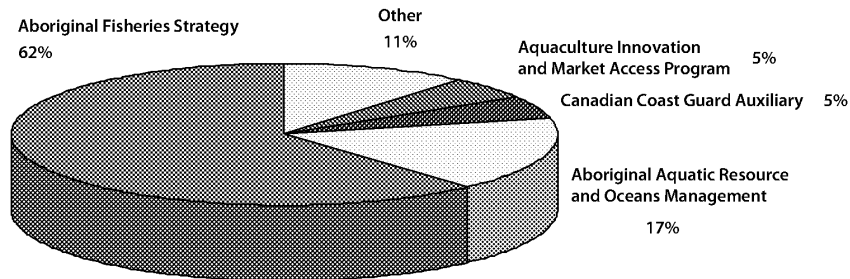


Grants and Contributions, or

transfer payments, are monetary payments, or transfers of goods, services, or assets to third parties. Transfer payments include grants, contributions, and other transfer payments, including those made to other orders of government, international organizations, and First Nations. Grants and contributions account for approximately five percent of the Department's spending.

DFO uses ten major (over \$500,000 per year) transfer payment programs, as well as a number of smaller programs, to leverage its resources and to achieve program and policy objectives associated with its three strategic outcomes. Of these, four account for almost 90% of the Department's grants and contributions.

Lessons Learned: Recent evaluations have pointed the way to improving the effectiveness of these programs, through improving performance measurement and monitoring, establishing service standards, making the programs more accessible, encouraging regular feedback from participants, and leveraging DFO's best practices in delivering these programs.



Section II: Analysis of Program Activities by Strategic Outcomes

In this Section

Safe and Accessible Waterways

This sub-section describes the performance of the strategic outcome and how safe and accessible waterways contribute to economic growth, a safe and secure Canada, and a knowledge-based and innovative economy. The section also describes in greater detail how the three program activities associated with this outcome performed.

Canadian Coast Guard

Small Craft Harbours

Science for
Safe and Accessible Waterways

Sustainable Fisheries and Aquaculture

This sub-section describes the performance of the strategic outcome and how sustainable fisheries and aquaculture contributes to economic growth and a knowledge-based and innovative economy. The section also describes in greater detail how the three program activities associated with this outcome performed.

Fisheries Management

Aquaculture

Science for Sustainable
Fisheries and Aquaculture

Healthy and Productive Aquatic Ecosystems

This sub-section describes the performance of the strategic outcome and how healthy and productive aquatic ecosystems contribute to a clean and healthy environment and a knowledge-based and innovative economy. The section also describes in greater detail how the three program activities associated with this outcome performed.

Oceans Management

Habitat Management

Science for Healthy and
Productive Aquatic Ecosystems

Program Activity Narratives

Each Program Activity narrative begins with the specific goal of the Program Activity and its expected results. The *Resources to Results* table shows program spending in comparison to plans and provides information on the indicators that are used to measure performance. Though DFO has been working to improve its performance measurement framework, the *2008-09 Report on Plans and Priorities* did not contain targets for these indicators. Wherever possible, established targets are presented. Elsewhere, the performance information will serve as benchmarks for future planning and reporting exercises.

A brief discussion follows to highlight the key challenges that must be overcome in delivering these results to Canadians. A more in-depth discussion of Program Activity performance and major accomplishments follows.

The *Moving Forward* section introduces a discussion of what is still to be accomplished: the key plans involved and, where possible, the lessons learned that will improve future performance. This section ends with a graphic of the Program Sub-Activities associated with each Program Activity. An electronic link to further, more detailed information can be found on page 54.

Quantifying Performance in relation to targets

☆☆☆ Exceeded

●●● Met (100%)

●●○ Mostly met (80%-99%)

●○○ Somewhat met (60%-79%)

□□□ Unable to assess against targets

Safe and Accessible Waterways**Strategic Outcome****Resources and Results****From Resources...**

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	918.8	5,893
Total Authorities	957.2	n/a
Actual	881.3	6,009 ^c

**To Results...**

	Target ^c	Result	Status
Public's Confidence^d	—	96%	

^a Financial figures include Program Enablers (Planned: \$145.1 million; Total Authorities: \$207.6 million; Actual: \$188.7 million).

^b FTE figures include Program Enablers (Planned: 922; Actual: 881).

^c Targets were not set for 2008-09 or 2009-10. Targets have been established for 2010-11.

^d Public's confidence of the safety and security of marine travel in Canada, as surveyed by Transport Canada, most recently in 2006 – Percentage of Canadians who rated transportation in Canada as either moderately or extremely safe and secure.

^e The FTE variance of 116 can be attributed to the United Nations Convention on the Law of the Sea (UNCLOS) and International Polar Year projects, growth in Fleet Operational Readiness, and the use of casuals to support essential positions.

Safe and Accessible Waterways Program Activities

Canadian Coast Guard

Small Craft Harbours

Science for
Safe and Accessible Waterways**Benefits to Canadians**

DFO provides Canadians with access to Canadian waterways and ensures the overall safety and integrity of Canada's marine infrastructure. Strong economic growth in Canada is supported by trade dependent upon maritime commerce. The Canadian economy requires: secure, sustainable harbours; safe waters; aids to navigation; as well as reliable and modern hydrographic products and services. Since 1883, the Canadian Hydrographic Service (CHS) has been producing nautical charts and navigational products that serve as 'road maps' to guide mariners safely from port to port. But maritime accidents do occur, necessitating strong Coast Guard capacities for search and rescue and for environmental response. Pressures for increased service and infrastructure, especially in the North, continue to challenge the Coast Guard, Small Craft Harbours, and the Canadian Hydrographic Service.

In 2008-09, the Canadian Coast Guard maintained one of the best records in the world for search and rescue (96%)⁶. Coast Guard programs such as Icebreaking, Aids to Navigation, Waterways Management, and Marine Communication and Traffic Services facilitated maritime commerce. The Environmental Response program ensured that there was a coordinated and capable response to both ship-source and mystery-source spills in Canadian waters throughout the year. Coast Guard also provided significant support to other parts of DFO for science and enforcement activities and to other government departments on various activities, increasingly on maritime security.

Coast Guard programs and services provide the maritime presence that supports a safe and secure Canada; Northern prosperity, sovereignty and development, in particular, are fostered by secure access to our northern waters provided by Coast Guard icebreakers. Northern communities benefit from supplies delivered by Coast Guard vessels. In 2008-09, the re-supply of northern communities involved the delivery of 1,406 metric tonnes of dry cargo to Eureka, Nunavut, and 666 metric tonnes of bulk diesel fuel to Kugaaruk, Nunavut. Coast Guard also participated in Operation NANOOK, a major Arctic

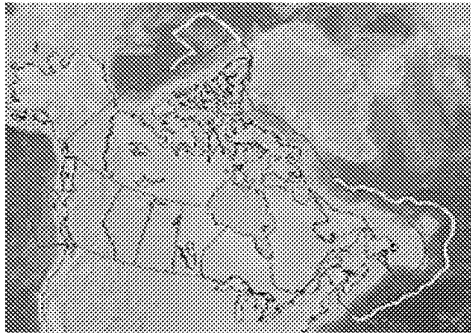
⁶ Success is measured by the number of lives saved to the number of lives at risk.

operation led by the Canadian Forces to exercise Arctic sovereignty and strengthen inter-operability of organizations in the service of humanitarian and environmental emergencies in northern Canadian communities.

Our small craft harbours support the effective operation of the commercial fishing industry that contributes nearly \$6 billion annually to the Canadian economy. The industry is an important economic driver in over 1,700 coastal communities, involving about 80,000 direct jobs and thousands more in related industries. Many of these jobs are located in rural and isolated parts of Canada. Fish harvesters and other users have access to a network of over 1,100 safe harbours. Over 5,000 Harbour Authority volunteers contribute approximately 135,000 hours to the management and operation of our small craft harbours. The Small Craft Harbours Program worked with Harbour Authorities from coast to coast to ensure that these harbours are open, safe, and in good repair.

The extent of nautical charts needed for Canadian waters is the largest in the world and actually continues to grow as changing climatic conditions expose new navigable waterways. Keeping existing hydrographic charts up-to-date while creating new ones is an ongoing challenge. The advent of electronic charts and other technological advances in hydrography continue to change how the Canadian Hydrographic Service makes hydrographic information available to Canadians. CHS provided the information needed to navigate Canada's waters—including: hydrographic products and services, tidal and water level information, and warning for natural disasters. With the exception of the Arctic Region, our navigational products and services continue to meet or exceed international standards set by the International Maritime Organization and the International Hydrographic Organization.

In support of Canada's Northern Strategy, the Canadian Hydrographic Service undertook surveys in priority areas that link Arctic communities to the main shipping channels and continued to collect bathymetric data in support of Canada's submission on the outer limits of the continental shelf in the Arctic and Atlantic Oceans under the United Nations Convention on the Law of the Sea (UNCLOS).



Red line: Exclusive Economic Zone

White line: possible extended shelf outside 200 nautical miles



Canadian Coast Guard

Program Activity

Providing Canadians with this...

Civilian marine services — vessels, aircraft, expertise, personnel, and infrastructure — to support Government of Canada maritime priorities, economic prosperity and contribute to the safety, accessibility and security of Canadian waters.

To achieve these results...

- Safe, economical and efficient movement of maritime traffic in Canadian waters.
- Minimized loss of life or injury resulting from marine incidents.
- Minimized impacts of ship source oil spills in Canadian waters.
- A civilian fleet operationally ready to deliver Government of Canada programs and maintain a federal presence.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	763.2	5,346
Total Authorities	783.0	n/a
Actual	709.6	5,460



To Results...

	Target ^c	Result	Status
Marine Accidents versus Vessel Clearances^d		1.9% (418/22,000)	
Search and Rescue^e	None stated	96%	
Environmental Response^f		100%	
Fleet Operational Readiness^g		>31,000 operational days	

^a Financial figures include Program Enablers (Planned: \$119.1 million; Total Authorities: \$169.0 million; Actual: \$153.5 million).

^b FTE figures include Program Enablers (Planned: 771; Actual: 738).

^c Targets were not set for 2008-09. Due, in part, to the unforeseen elimination of data sources, CCG has not reported against the exact indicators presented in the 2008-09 RPP. As an interim measure, CCG has provided sub-activity performance information relevant to the expected results to demonstrate its overall performance. CCG is currently working to strengthen its Performance Measurement Framework, including consultations with clients and stakeholders.

^d Percentage of (marine) traffic accidents (includes those onboard vessels) vs. vessel clearances.

^e Percentage of lives saved versus lives at risk.

^f Percentage of spills addressed.

^g Number of operational days delivered to clients. Information provided is used as a proxy. Government of Canada client survey results, measuring the extent to which CCG is meeting Government of Canada requirement for an operationally ready fleet, are not available. Survey results will be available to report in 2009-10.

The Challenge

An aging fleet, workforce and shore-based infrastructure are challenges that Coast Guard has begun to address to ensure that it can continue to maintain and adapt its services where required. While recent federal budgets have provided the funding for up to 17 new large ships, it will take a number of years for many of the vessels to be delivered. The existing fleet, therefore, must be kept operationally ready. Also, like many other organizations, Coast Guard faces an increasingly competitive labour market for recruitment and retention of skilled employees. As over 25% of Coast Guard's employees will be eligible to retire over the next five years, recruitment is an important priority for the Coast Guard. Rapid technological advancement and modernization in the marine industry require Coast Guard to modernize its shore-based infrastructure and Canada's aids to navigation system while at the same time, having to maintain older technologies due to some user requirements.

Our Performance

In 2008-09, Coast Guard continued its focus on improving client service, effectiveness and efficiency, and management of its people through a set of initiatives outlined in its *2008-2011 Business Plan*. Solid progress was made on most of the commitments planned for 2008-09. More details are available in the *2008-2011 Business Plan*⁷ and *2008-09 Year End Report*⁸, both of which are available on the CCG website.

From an operational perspective, Coast Guard continued to facilitate safe, economical and efficient movement of vessel traffic in Canadian waters. Marine Communication and Traffic Services operated 24/7 as CCG's communications backbone. The services provided by Coast Guard's Aids to Navigation program ensured access to a reliable navigation system and regular safety information. Waterways Management ensured water level and bottom condition information availability. Icebreaking services proved to be a challenge as ice conditions were more severe than normal in the Great Lakes, the Gulf of St. Lawrence and the St. Lawrence River, while in Newfoundland and Labrador, the ice-breaking season started late and was longer than usual, closing on June 28. These conditions led to some shipping delays in the St. Lawrence River and the Saguenay River.

Despite the best safety precautions and continuous vigilance, some on-water incidents did occur, but in 2008-09, Coast Guard provided a 96% search and rescue success rate of lives saved versus lives at risk and a 100% response rate to environmental incidents.

As the operator of the Government of Canada's civilian fleet, Coast Guard supported DFO's Science and Fisheries Enforcement programs and provided on-water and marine support to other federal government departments and agencies. Though progress on fleet renewal was slower than desired, with delays in the competitive bidding process for the mid-shore patrol vessels and offshore fisheries science vessels, preparatory work is well under way to accelerate certain vessel procurements and repairs. These investments will enhance fleet renewal and vessel maintenance initiatives and overall capacity, particularly in search and rescue and in environmental response.

CCG performance includes:

- 99% (three year average) reliability of short and long-range aids to navigation.
- Issued over 22,000 vessel clearances.
- Monitored water bottom conditions of 730 kilometres of Canada's main shipping channels.
- Assisted over 14,000 people requiring help on the water.
- Escorted 629 ships in southern Canada and 25 ships in the Arctic for a total of 6,833 hours of assistance.
- CCG fleet delivered over 31,000 operational days of service to its clients — only 2% of all available ship days were lost due to unplanned circumstances.
- CCG College graduated 27 Marine Communication and Traffic Service Officers. There were no graduates from the Ship's Officer training program due to lack of intake in 2005 but enrolment has been increasing and is currently at 106 students.

Moving Forward

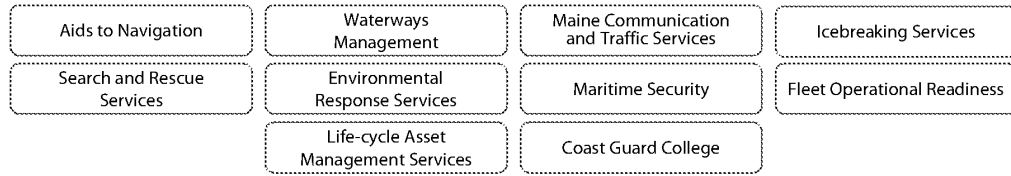
Over the next several years, there will be significant progress in fleet renewal. The Government, in recent budgets, has earmarked \$1.4 billion to acquire up to 17 new large vessels. Up to twelve of these will replace existing vessels that will be taken out of service and up to five will be additions to the existing fleet. In January 2009, Coast Guard received \$175 million as part of the government's Economic Action Plan, for the acquisition of much-needed small craft, conducting vessel life extensions, and carrying out repairs on its larger vessels.

⁷ <http://www.ccg-gcc.gc.ca/folios/00018/docs/bp-pa-0811-eng.pdf>

⁸ <http://www.ccg-gcc.gc.ca/e0006054>

Coast Guard will develop an Environmental Management Framework that will examine ways to reduce greenhouse gas emissions and undertake other greening of government initiatives. Ongoing modernization initiatives, both at sea and on shore, will place a greater emphasis on technology and innovation.

Canadian Coast Guard Sub-Activities



Small Craft Harbours

Program Activity

Providing Canadians with this...

A network of harbours critical to the commercial fishing industry.

To achieve these results...

- Commercial fishing industry has access to a network of harbours that is open, safe, and in good repair;
- Harbour Authorities are able to effectively manage and maintain core commercial fishing harbours; and
- Recreational and non-essential fishing harbours are divested.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	108.7	201
Total Authorities	122.1	n/a
Actual	119.8	203

To Results...

	Target	Result	Status
Harbour Performance^c	25%	22%	●●○
Facility Condition^d	80%	82%	★☆☆
Environmental Plans^e	95%	95%	●●●●
Harbour Authorities^f	100%	91%	●●●○
Divestitures^g	75-95 over 4 years	7 of 364 (2%)	●○○○

^a Financial figures include Program Enablers (Planned: \$15.2 million; Total Authorities: \$22.7 million; Actual: \$20.7 million).

^b FTE figures include Program Enablers (Planned: 79; Actual: 75).

^c Percentage of core fishing harbours with performance ratings of good or very good.

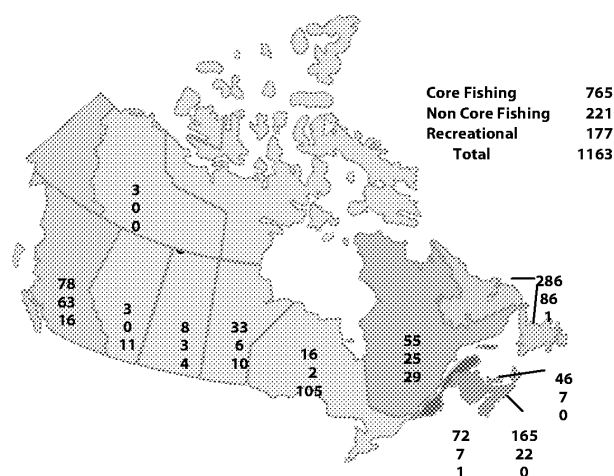
^d Condition of facilities at core fishing harbours (fair, good, or very good condition).

^e Percentage of core fishing harbours that have Environmental Management Plans in place.

^f Percentage of existing core fishing harbours managed by Harbour Authorities.

^g Number of recreational and low activity fishing harbours divested per year versus total number of harbours to be divested.

Small Craft Harbours throughout Canada



The Challenge

Small craft harbours make an important contribution to the commercial fisheries sector by ensuring the availability of vital infrastructure required for the sector to contribute to the Canadian economy. Our harbours directly support local employment and indirectly create tens of thousands of jobs — many in rural and isolated parts of Canada. Keeping up with the changing needs of those using the harbours, including the increased participation of First Nations commercial fish harvesters, expanding aquaculture operations, changing fisheries, accommodating larger fishing vessels and increased harbour congestion, is an important component of the program's work. Chronic rust-out at many harbours means that 18 percent of SCH infrastructure is now in poor to unsafe condition with restricted user access at some harbours. SCH continues to explore measures to ensure the long term sustainability of the harbour network, implement proper life cycle management, support Harbour Authorities, and complete the divestiture of recreational and non-core fishing harbours.

Harbour Authorities (HAs), volunteer organizations composed of user and local representatives, are an efficient way of offering services, strengthening public investment, and providing opportunities for communities to participate fully in the planning, operation, and maintenance of harbour facilities.

Our Performance

The Small Craft Harbours Program continued to provide a national network of commercial fishing harbours to meet the needs of the fishing and aquaculture industries. As of March 31, 2009, SCH owned 1,163 harbours in all provinces and the Northwest Territories. Of these, 765 are core commercial fishing harbours. The remaining 398 harbours include 177 recreational harbours and 221 non-essential fishing harbours. The total value of these harbours is \$1.6 billion. Small craft harbours support the activities of commercial fish harvesters and other marine users.

The Program received additional funding through *Budget 2008* to accelerate divestitures of recreational and non-essential fishing harbours. The number of divestitures was lower in 2008-09 than in previous years, but the new funding will allow the Program to increase the pace in future years. As harbours are divested, the Program is able to re-allocate any funding associated with their maintenance to the remaining harbours. Over time, this additional funding will help to reduce the deterioration experienced at core harbours.

SCH's 2008-09 accomplishments include...

- 22% of core fishing harbours have a performance rating of good or very good. The percentage increases to 71% if those harbours rated as fair are included. This percentage has been relatively stable over the past three years.
- 82.6% of the facilities at core commercial fishing harbours are in fair, good, or very good condition. This percentage has stayed relatively stable over the past three years.
- 95% of core fishing harbours have environmental management plans in place. This percentage has not changed over the past three years.
- 91% of core commercial fishing harbours are managed by HAs. That is, 571 HAs manage 695 core harbours. This represents a very small decrease from the previous year.
- SCH divested 7 out of 364 recreational and low-activity harbours. This represents a divestiture rate of 2%, which is significantly lower than the 5.9% divestiture average over the previous four years. This result reflects the increasingly complex divestitures that remain on SCH books.

With the focus on core harbours, those harbours considered non-core (fishing and recreational) receive funding only for repairs required to ensure user safety until the harbour can be divested to new owners. In 2008-09, SCH received the first of four years of new funding for divestitures announced in *Budget 2008*. SCH spent approximately \$3.5 million in 2008-09 on advancing work on many of the planned divestitures, and was successful in transferring title to seven harbours.

The importance of the HAs to the delivery of the SCH Program cannot be understated. For example, last year, HAs collected approximately \$23.4 million in revenues that were then reinvested in harbour operations and maintenance. To assist HAs, the Program has been looking at amalgamation. The amalgamation of six HAs in Nova Scotia is expected to have benefits for the six harbours, including the need for fewer volunteers, better ability to hire staff, and the ability to secure better pricing on materials and labour.

To support the fishing industry in the north, SCH undertook preliminary design work to build a new fishing harbour at Pangnirtung, Nunavut. SCH expects to start construction of this project in the fall of 2009.

Moving Forward

Key priorities for the SCH Program as it moves ahead over the next few years will be the implementation of the Government's two year Accelerated Infrastructure Program (AIP) for which the Program received \$200 million from the *Budget 2009 Economic Action Plan* for maintenance, repair and dredging at core commercial fishing harbours. The Program will also receive \$17 million to implement the Pangnirtung, Nunavut, Harbour Project funded through *Budgets 2008 and 2009*. The influx of resources for the AIP is expected to maintain and improve the overall condition and performance of the core commercial harbours. *Budget 2009* investments will allow SCH to maintain the performance and condition of SCH core fishing harbours.

The impact of the economic stimulus funding directed at Canada's core commercial fishing harbours will have a national reach and will involve over 250 individual harbour projects at over 200 different locations throughout Canada. The new funding will help SCH to ensure that the commercial fishing industry has access over the long term to safe and functional harbours while creating jobs in the immediate future.

SCH will also move forward with the divestiture of recreational and non-core fishing harbours using funding received in *Budget 2008*. This funding is expected to allow for the divestiture of 75-95 of the more complex and expensive divestitures and which would permit SCH to focus its efforts on core fishing harbours.

In addition, SCH will undergo organizational restructuring to increase program effectiveness and to enhance its capacity to provide much needed support to HAs. Over the next two years, SCH will develop options for the long-term sustainability of its core harbours and the HAs that manage them. The \$200 million from *Budget 2009* is expected to impact favourably on the health of HAs by reducing concerns related to their more serious harbour maintenance and repair needs.

Science for Safe and Accessible Waterways

Program Activity

Providing Canadians with this...

Scientific research, monitoring, advice, products and services, and data management to inform departmental and federal policies, programs, decisions, and regulations.

To achieve these results...

- Accessible hydrographic products and information.
- Accessible tidal and water level information for Canada's waterways.
- Advance notice of hazardous tsunami/storm surge events.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	46.9	345
Total Authorities	52.1	n/a
Actual	52.0	346



To Results...

	Target	Result	Status
Levels of Service^c	1 for each of 21 levels of service ⁹	67%	●○○○
UNCLOS^d	100% of planned work by 2013	89% (Atlantic Ocean) 44% (Arctic Ocean)	●●○○
Products^e	Maintain or increase	204,900	●●○○

^a Financial figures include Program Enablers (Planned: \$10.9 million; Total Authorities: \$15.8 million; Actual: \$14.4 million).

^b FTE figures include Program Enablers (Planned: 72; Actual: 69).

^c Proportion of service level targets met.

^d Amount of work completed versus planned in the preparation of Canada's claim to the continental shelf beyond 200nm (UNCLOS).

^e Number of hydrographic charts, publications, and information brochures distributed annually. Maintain current unit sales levels or achieve a modest net increase in products sold.

The Challenge

The Canadian Hydrographic Service (CHS) has been collecting hydrographic information and providing Canadians with navigational products and services based on this information for over one hundred years. The challenge is to enhance and maintain this extensive portfolio of navigational products and service in a manner that ensures it meets international standards, is up-to-date, accurate, and reflects the needs of today's commercial and recreational boaters. Emerging technologies in the field of navigation, such as near-real-time dynamic navigation systems, present a particular challenge. The adoption of these new technologies by mariners means that hydrographic information and services must be provided in a format that can interface with these technologies and meet the ever increasing precision required by the marine transportation community. Although the primary application for hydrographic information is to support safe navigation, it is also used for a multitude of other purposes, such as national security, territorial delineation, and the resolution of maritime boundary disputes. In addition, bathymetric data, tide, current, and water level information also supports negotiation of boundary disputes with other countries and is used for emergency preparedness (storm surge and tsunami warnings) and overall scientific research in the marine community.

Our Performance

To manage the extensive hydrographic portfolio of navigational products and services, CHS applied a risk based approach to deliver its products and services in accordance with established and publicly communicated levels of service. In keeping with its strong commitment to service, each year CHS

⁹ <http://www.chs-shc.gc.ca/about-apropos/los/result-eng.asp>

undertakes a review of the results against the service level commitments and evaluates the need to establish additional levels of service to include a wider range of products and services.

In 2008-09, CHS met 67 percent of the overall service level targets. This represents a decline from previous years, where, for a number of the service levels, CHS results fell just below the established targets. The implementation of technology infrastructure upgrades in response to the changing needs of mariners and the scientific community for enhanced hydrographic services, created a challenge to CHS' service delivery. On the other hand, CHS' investment in the technology infrastructure upgrades should, in the long run, create a more efficient and productive work flow that will assist in closing the gap on service level targets.

Data collection continued in the Arctic to provide scientific information on the outer limits of our continental shelf for submission to the Commission on the Limits of the Continental Shelf. Canada ratified the United Nations Convention on the Law of the Sea (UNCLOS) in 2003 and thus is required to submit scientific information in support of establishing the outer limits to the continental shelf beyond the current 200-mile Exclusive Economic Zone by 2013. Canada's continental shelf represents an area about 40% the size of its landmass. CHS is responsible for undertaking bathymetric surveys in the Arctic and Atlantic Oceans as part of Canada's submission. The Department's efforts are on target for meeting the 2013 evidence submission deadline. A successful joint Canada-US seismic and bathymetric survey in the Western Arctic yielded 2,800 kilometres of seismic data and 5,000 kilometres of bathymetric data. A through-the-ice seismic and bathymetric survey was conducted to determine if the Alpha Ridge is a continuum of the continental shelf.

In 2008-09, 204,900 official marine paper navigational charts, publications, and information brochures were distributed. In comparison with 2007-08, this represents an 11% decline. This decline is largely attributable to the increased use of digital products and the availability of private-sector non-official navigational products.

Examples of the Canadian Hydrographic Service Levels of Service (LOS):

- Charts in the high risk category are reviewed a minimum once every five years and new editions issued when necessary.
- Notices to Mariners updates are issued within four months of CHS receiving source information.
- The National Tides, Currents, and Water Levels web site is accessible 95% of the time.
- Charts and Publications are always available.

Moving Forward

CHS will continue to focus its survey and charting activities in the highest risk areas, including providing hydrographic support for the design of the harbour facility in Pangnirtung, Nunavut, as well as updates to nautical products once the harbour is established.

To obtain a better definition of Canada's continental margin, CHS will continue ship-based and ice-based surveys in the Eastern Arctic. In the Western Arctic, the joint Canada-US seismic and bathymetric survey will continue in 2009-10. Potential work in the Atlantic Ocean is under analysis.

The application of new technology to reduce the impact of weather and ice conditions on hydrographic data collection in the Arctic is being explored. In cooperation with Defence Research and Development Canada and the National Research Council, DFO will be operating Autonomous Underwater Vehicles as data collection platforms in the high Arctic.

Science for Safe and Accessible Waterways Sub-Activities

Navigational Products
and Services

Safety, Security
and Sovereignty

Sustainable Fisheries and Aquaculture

Strategic
Outcome

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	606.8	3,260
Total Authorities	668.2	n/a
Actual	634.8	3,167 ^c



To Results...

	Target ^d	Result	Status
High Sustainability^e	None stated	16.5%	
Medium Sustainability^f		67%	
Low Sustainability^g		16.5%	

^a Financial figures include Program Enablers (Planned: \$128.7 million; Total Authorities: \$180.7 million; Actual: \$164.1 million).

^b FTE figures include Program Enablers (Planned: 709; Actual: 678).

^c The FTE variance of 93 can be attributed to the reallocation of FTE's between Science sub-activities, turnover and delays in staffing, and rounding errors.

^d Targets were not set for 2008-09. The results achieved will serve as baseline data to quantify future performance expectations.

^e Number and percentage of major commercially harvested stocks scoring high on score of "sustainable fisheries" based upon checklist¹⁰.

^f Number and percentage of major commercially harvested stocks scoring medium on score of "sustainable fisheries" based upon checklist.

^g Number and percentage of major commercially harvested stocks scoring low on score of "sustainable fisheries" based upon checklist.

Sustainable Fisheries and Aquaculture Program Activities

Fisheries Management

Aquaculture

Science for Sustainable
Fisheries and Aquaculture

Benefits to Canadians

DFO provides an integrated fisheries and aquaculture program that is credible, science-based, affordable, and effective, and contributes to sustainable wealth for Canadians. To provide Canadians with economic benefits from our aquatic natural resources, DFO must understand and manage the complex ecosystems to support these resources, work with other nations to protect and conserve these resources, and ensure that Canadian products have access to world markets. The viability of many of Canada's coastal communities is directly linked to the health of the fisheries.

DFO is responsible for developing and implementing policies and programs to ensure the sustainable use of Canada's marine ecosystems. DFO has been pursuing a fisheries renewal agenda that recognizes that Canada's fisheries can be sustainable over the short and long term only if the resource is conserved and used sustainably and the fishing industry is viable. This new approach provides a renewed focus for working with harvesters, processors, communities, provinces and territories in fisheries planning and the management of harvest operations.

Many of our fisheries are international in scope and dependant on ecosystems and habitats beyond our territorial waters. Canada must demonstrate leadership in international fisheries reform and oceans governance mechanisms. Moreover, there is a growing desire on the part of the provinces and territories for engagement in DFO decision-making and collaborative action in areas of shared interest. Recent Federal Court decisions have also affected science and fisheries management activities, adding pressure to the need for fisheries renewal.

¹⁰ In 2008, data was collected for 109 major stocks in Canada through a survey of fishery managers and biologists and was captured by a fisheries checklist. The checklist rolls up over 100 questions on all fisheries management measures.

Though targets were not defined for this year, the Fishery Checklist results show that more than half of the stocks scored in the medium range. This provides strong evidence that many Canadian fisheries already have appropriate measures to achieve sustainability.

Aquaculture in Canada relies on the cooperation of many — DFO, other federal departments, provincial and territorial governments, industry, the private sector, non-government organizations, and other stakeholders — making transformation and innovation complex and time-consuming. Consumer confidence in aquaculture products, the protection of natural species, and international barriers also challenge the growth of aquaculture in Canada.

As a first step, DFO developed and posted a discussion document, *Strengthening Sustainable Aquaculture Development in Canada*¹¹, to engage stakeholders in the aquaculture sector in a dialogue to resolve the constraints facing the industry and its sub-sectors.

The management of our fisheries, promotion of aquaculture, strong and respected participation in international fora, and effective collaboration with our many partners are all founded on a sound scientific knowledge of the fisheries.

- Commercial fishing, processing, and aquaculture employ over 80,000 people and are an important economic driver in 1,700 coastal communities:
 - ❖ 48,000 commercial fish harvesters
 - ❖ 14,000 aquaculture employees
 - ❖ 28,000 workers in seafood production
- The total value of Canada's fisheries sector is approximately \$12 billion.
- There are 206 fishery-reliant communities in Canada where at least 30 percent of the community gross domestic product comes from a fishery-related activity.
- Fisheries affect approximately 250 First Nations and other Aboriginal groups in areas of Canada where DFO manages the fishery.
- Salmon Enhancement Program (SEP) hatcheries and spawning channels produce 10-15 percent of the BC First Nation, recreational and commercial harvest.
- More than 70 resource restoration projections are undertaken every year by SEP.

¹¹ <http://www.dfo-mpo.gc.ca/aquaculture/lib-bib/nasapi-insapa/nasapi-inpasa-eng.htm>

Fisheries Management

Program Activity

Providing Canadians with this...

The conservation of Canada's fisheries resources to ensure sustainable resource utilization through close collaboration with resource users and stakeholders based on shared stewardship.

To achieve these results...

- Sustainable Fisheries and Aquaculture

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	386.8	1,923
Total Authorities	413.3	n/a
Actual	397.7	1,920



To Results...

	Target ^c	Result	Status
High Sustainability^d	None stated	36 (81.8%)	
Medium Sustainability^e		5 (11.4%)	
Low Sustainability^f		3 (6.8%)	

^a Financial figures include Program Enablers (Planned: \$63.6 million; Total Authorities: \$95.7 million; Actual: \$87.4 million).

^b FTE figures include Program Enablers (Planned: 447; Actual: 427).

^c Targets were not set for 2008-09. The results achieved will serve as baseline data to quantify future performance expectations.

^d Number and percentage of major stocks where overall score of "resource sustainability" is high.

^e Number and percentage of major stocks where overall score of "resource sustainability" is medium.

^f Number and percentage of major stocks where overall score of "resource sustainability" is low.

The Challenge

A viable fishery sector needs to be supported by a modern fisheries governance regime that is accountable, predictable and transparent to the people it governs. The Fisheries Management Program is responsible for international fisheries conservation negotiations and relations, shared management of interception fisheries in international waters, and management of the Aboriginal, commercial, and recreational fishing in the coastal waters of Canada's three oceans.

Although substantial advances have been made in the North Atlantic Fisheries Organization (NAFO), the high seas fisheries continue to sustain pressure from many sources — legal, or institutional, overfishing, Illegal, Unregulated and Unreported (IUU) fishing activities, and from environmental degradation. Many fish stocks continue to decline, threatening economic opportunities for Canadian industry and other countries. These activities may also produce cascading risks to the sustainability of fisheries and marine ecosystems within Canada's Exclusive Economic Zone.

Canada's fisheries have played an important role historically, economically, and culturally in Canada's development and growth as a nation. Today, however, these fisheries face a number of challenges, including the collapse of key stocks, market changes, and environmental challenges such as pollution and climate change.

Developing national and international strategies and measures to conserve and protect our fisheries resources requires sound scientific advice. Scientific knowledge to support conservation, the application of innovative technologies such as biotechnology, consumer acceptance, market access, and environmental responsibility in a strong aquaculture industry is also needed.

Our Performance

The sustainability results were taken from the 2008 fisheries checklist. They are based on the combined results of two checklist questions — one on stock status and the other on whether the harvest level is above or below a maximum level (an indication of whether overfishing is occurring or not). These responses, when combined, are an indicator of sustainable management of the stock. While the result reveals a strong performance, the responses are based on only 44 of 109 stocks surveyed, for which both questions were answered. Since results are based on less than half of the stocks surveyed, the large proportion of high scores should not be seen as representative of all the major stocks in Canada. As mentioned above, the scores do not represent a standard for sustainability. Distinctions between low, medium, and high are arbitrary.

To increase opportunities for First Nations in the fisheries and to enhance their capacity and participation in co-management arrangements, DFO uses a number of Transfer Payment Programs. Many of these programs have recently been evaluated for efficiency and effectiveness.

Moving Forward



The sustainability results are based on less than half of surveyed stocks with the associated checklist questions completed. As the Department's new conservation and sustainable use policies and tools are implemented, it is expected that checklist respondents will be able to complete more questions and DFO will have an increasing capacity to support sustainable outcomes. Fisheries Renewal remains a priority for the Department in 2009-10.

The checklist identified the need to implement precautionary approach frameworks and the Policy on Managing the Impacts of Fishing on Benthic Habitat, Communities and Species.

In 2009-10, a new indicator to measure the sustainability of stocks in relation to efforts to implement sustainable management measures will be implemented. It will be a stronger measure of the impacts of efforts to ensure sustainability and the results of those efforts.

Fisheries Management Sub-Activities



Aquaculture

Program Activity

Providing Canadians with this...

Conditions needed to support a vibrant and innovative aquaculture industry that is environmentally and socially responsible, economically viable and internationally competitive.

To achieve these results...

- Public confidence in governance of aquaculture and in its sustainable development and environmental stewardship.
- Growing, competitive, market-focused industry with good sustainable environmental and social performance.
- Frameworks, programs, policies, strategic information, and advice on aquaculture.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	5.0	43
Total Authorities	13.2	n/a
Actual	11.4	44



To Results...

	Target	Result	Status
Confidence^c	75%	73%	🟡🟡🟡
Production Increase^d	3%	Not yet available ^e	🔴

^a Financial figures include Program Enablers (Planned: \$1.0 million; Total Authorities: \$1.6 million; Actual: \$1.4 million).

^b FTE figures include Program Enablers (Planned: 8; Actual: 7).

^c Level of stakeholder and Canadian confidence in aquaculture governance and sustainable development gauged through ongoing consultations.

^d Increase in Canadian aquaculture production volume.

^e 2008 production information will be available in November 2009. The latest data available is for 2007: total production of 170,172 tonnes, total value of \$846,171,000. The figures represent a decrease of just over 7% from 2006, but approximately 25% of total Canadian fish and seafood production value.

The Challenge

Aquaculture development in Canada seeks to maximize the sustainable production of aquatic organisms while protecting natural aquatic ecosystems in Canada's oceans and inland waters. Commercial aquaculture industries exist in all provinces and in the Yukon Territory and account for one third of the value of Canada's fisheries production.

Aquaculture is the fastest growing food sector in the world and currently accounts for 50% of all seafood and fish products consumed by humans. Though currently valued at \$846 million and employing approximately 14,000 people year round (including direct, indirect, and induced employment), the Canadian aquaculture industry represents less than 1% of world production.

Though Canada has inherent advantages in biophysical geography, as well as experience and expertise in the fish and seafood industry, the Canadian aquaculture industry has grown much more slowly than its international competitors. Constraints include:

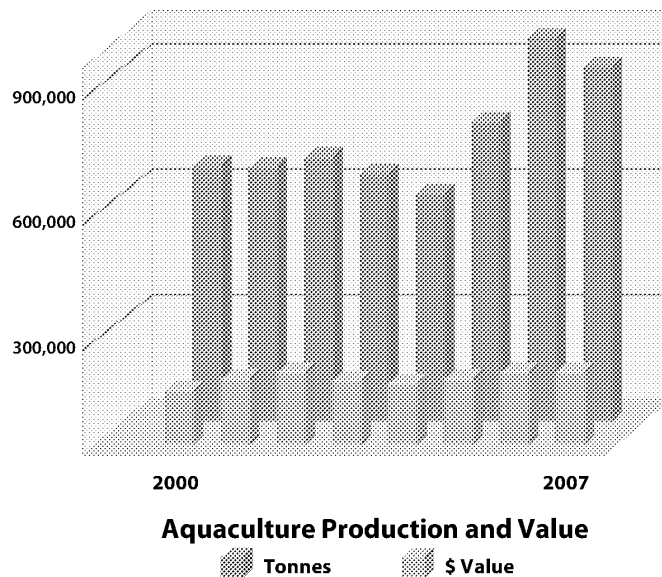
- ❑ A complex, multi-jurisdictional governance and regulatory regime which is eroding investor confidence and limiting access to capital;
- ❑ Emerging market demands and expectations for Canadian product certification and traceability investment;
- ❑ Insufficient investment in innovation to support sector productivity, competitiveness, expansion, and advances in greener technology; and
- ❑ The need for biosecure infrastructure to meet emerging international trade requirements and minimize fish health disease risks.

Our Performance

Budget 2008 announced \$70 million in funding for DFO over five years to address the constraints experienced within the Canadian aquaculture sector. As a first step, DFO developed and posted a discussion document, *Strengthening Sustainable Aquaculture Development in Canada*¹², to engage stakeholders in the aquaculture sector in a dialogue to resolve the constraints facing the industry and its sub-sectors.

DFO, through extensive consultations, has laid a solid foundation for achieving and measuring performance in three targeted areas:

- Market and public confidence;
- Regulation and environmental performance; and
- A growing, competitive, market-focused industry.



To monitor success in this initiative, indicators that provide greater certainty in data collection, are more timely, and that better measure the results of departmental actions have been established for 2009-10.

Examples of Aquaculture Governance initiatives include:

- In partnership with the New Brunswick government and the New Brunswick Salmon Growers Association, DFO has implemented a Code of Containment for breaches of containment on salmon farms.
- A checklist to report to Canadians on aquaculture sustainability was introduced as a pilot project.

Moving Forward

In 2009-10, DFO will continue consultations on strengthening sustainable aquaculture development to develop national and sectoral plans that will set forth objectives to be achieved over the next five years. These plans will identify what needs to be done to achieve these objectives and clarify federal, provincial, territorial, and industry roles and responsibilities. A comprehensive performance monitoring system will support these plans. Consistent effort will be required to implement appropriate aquaculture governance mechanisms.

¹² <http://www.dfo-mpo.gc.ca/aquaculture/lib-bib/nasapi-insapa/nasapi-inpasa-eng.htm>

Science for Sustainable Fisheries and Aquaculture

Program
Activity

Providing Canadians with this...

Advice and recommendations on fisheries and aquaculture based on scientific research and monitoring, and the management of data on Canada's oceans and resources.

To achieve this result...

- Comprehensive understanding of aquatic resources.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	215.0	1,294
Total Authorities	241.7	n/a
Actual	225.6	1,203 ^c



To Results...

	Target	Result	Status
Number of Publications^d	Maintain current level	175	☆☆☆
Marine Biology and Hydrobiology Publications^e	Maintain or exceed current level	22%	●●●
Oceanography and Limnology Publications^f	Maintain or exceed current level	27%	●●●

^a Financial figures include Program Enablers (Planned: \$64.1 million; Total Authorities: \$83.4 million; Actual: \$75.3 million).

^b FTE figures include Program Enablers (Planned: 254; Actual: 243).

^c The FTE variance of 91 can be attributed to the reallocation of FTE's between Science sub-activities, turnover and delays in staffing, and rounding errors.

^d Number of Canadian Science Advisory Secretariat publications on aquatic resources.

^e Percentage of Canadian publications in marine biology and hydrobiology attributed to DFO.

^f Percentage of Canadian publications in oceanography and limnology attributed to DFO.

The Challenge

Fisheries and Oceans Canada has one of the most comprehensive Science programs in the federal government. Since the establishment of the Fisheries Research Board of Canada in the 1930's, the scope of the Science Program has expanded to reflect not only the longstanding aspects of our work, such as fisheries science, but also the diversity of demand for science advice associated with newer science-based issues, such as the outbreak of serious infectious disease and products of fish biotechnology. Science has also played an important role in supporting the evolution of sustainable aquaculture—improving nutrition, health, and production and increasing the understanding of interactions between aquaculture and the environment. The adoption of new technology such as genomics and biotechnology has continued to improve DFO's ability to protect endangered species, manage fisheries, and improve aquaculture practices.

The greatest challenge faced by the Science Program in providing science in support of sustainable fisheries and aquaculture, is the increase in complexity and demand for scientific advice on these and other science-based issues to inform decision and policy-making.

Our Performance

In response to the increased demand for scientific advice, the Science Program remained committed to the ongoing implementation of the ecosystem science-based approach and the use of a risk-based approach to prioritizing the provision of science advice. The ecosystem approach enables the transformation from a single-species approach to a broader ecosystem-based approach, and the production of multi-functional science advice and products that serve the needs of more than one client. In 2008, Science also developed a risk-based tool for prioritization of requests for peer-reviewed advice. This was necessary as the number of annual requests for peer-reviewed advice received by the Canadian Science Advisory Secretariat¹³ (CSAS) typically exceeded the existing capacity to deliver. The results of the risk-based framework were used to guide decision making in arriving at what requests would be included in the 2009-10 CSAS advisory schedule.

In response to direct requests for peer-reviewed science advice in support of sustainable fisheries and aquaculture, in 2008-09, the Science Program produced 175 publications, including science advisory reports, research documents, proceedings, and science responses. The number of advisory publications produced annually has increased steadily over the last three years, largely as a result of an increased demand for advice on species at risk and other emerging science-based issues.

In the national context, DFO was responsible for 22 percent of all Canadian publications in marine biology and hydrobiology, and 27 percent of the publications in oceanography and limnology (Source: *Observatoire des sciences et des technologies*). The percentage of publications in these two sub-disciplines has been stable in the last two years; however, there is an overall trend towards a decrease in the percentage of publications as compared with previous years.

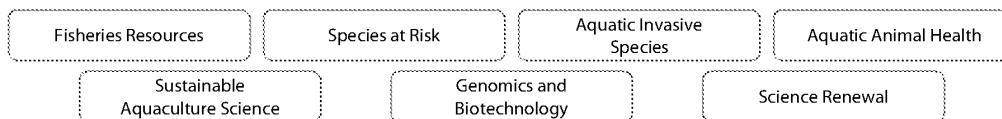
Science Renewal has...

- Improved the ongoing alignment of the Science Program with the needs of DFO, the Government of Canada and Canadians.
- Progressed in its implementation of an ecosystem science-based approach.
- Completed an International Science Strategy, Five-Year Research Plan, and Science Outreach Strategy which are key elements of the Science Program's renewal agenda.

Moving Forward

By fully realizing the ecosystem approach, the Science Program will deliver more comprehensive information that reflects the diverse demand for knowledge by decision and policy-makers in support of sustainable fisheries and aquaculture. Science Renewal initiatives will provide the Department with the research capacity and the scientific understanding of aquatic ecosystems that it needs to respond to existing and new challenges.

Science for Sustainable Fisheries and Aquaculture Sub-Activities



¹³ http://www.dfo-mpo.gc.ca/csas/Csas/Home-Accueil_e.htm

Healthy and Productive Aquatic Ecosystems

Strategic
Outcome

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	212.8	1,352
Total Authorities	234.9	n/a
Actual	231.4	1,331



To Results...

	Target	Result	Status
Coverage^c	100% by 2035	31%	🟡🟡🟡🟡🟡
Governance^d	100%	80%	🟡🟡🟡🟡🟡
Stakeholder Engagement^e	100%	60%	🟡🟡🟡🟡🟡

^a Financial figures include Program Enablers (Planned: \$68.0 million; Total Authorities: \$94.5 million; Actual: \$85.5 million).

^b FTE figures include Program Enablers (Planned: 249; Actual: 238).

^c Estimated percentage of Canadian ocean area with integrated management structures.

^d Percentage of Large Ocean Management Areas with inter-jurisdictional Regional Implementation Committees or equivalents.

^e Percentage of Large Ocean Management Areas with Stakeholder Advisory Committees or equivalent.

Healthy and Productive Aquatic Ecosystems Program Activities

Oceans Management

Habitat Management

Science for Healthy and
Productive Aquatic Ecosystems

Benefits to Canadians

The Department is responsible for ensuring the sustainable development and integrated management of resources in or around Canada's aquatic environment through oceans and fish habitat management.

Oceans and freshwater biodiversity, resources, and habitat are an important part of Canada's environmental, social, cultural, and economic fabric. The aquaculture industry and wild fisheries, for example, both depend on productive fish-bearing waters, and both can have negative impacts on the broader ecosystem. However, the diverse needs of multiple users put great pressure on marine and freshwater resources and environments. Economic growth associated with inland, onshore, and off-shore development has had, and will continue to have, a significant impact on Canada's marine and freshwater systems.

Marine activities must be managed in a sustainable way to support aquatic environments and ecosystems. Oceans health, marine habitat loss, declining biodiversity, growing demands for access to ocean resources, and regulatory and jurisdictional complexities are among the challenges that the Department faces in providing Canadians with healthy and productive aquatic ecosystems.

To address these challenges, integrated management processes have been established in five large areas in each of Canada's three oceans. In 2008-09, DFO launched the Pacific North Coast Integrated Management Area to engage Canadians on our West Coast in the development of an integrated management plan for the Pacific North Coast. Significant progress has also been made on the development of integrated management plans for the Beaufort Sea Integrated Management Area and the Placentia Bay/Grand Banks Large Oceans Management Area. Implementation is underway for the integrated management plan for the Eastern Scotian Shelf.

This planning has also been supported by specific conservation measures including the establishment of Canada's seventh Marine Protected Area (under the *Oceans Act*) — the Bowie Seamount on Canada's West Coast. Four new Centres of Expertise were established to improve the national application of knowledge relating to corals, state of the oceans reporting, traditional ecological knowledge, and coastal management.

DFO continued to protect habitat through the regulatory review process and has worked to improve the way that Environmental Assessments are conducted through the Regulatory Improvement Initiative for Major Resource Projects.

Effective measures to protect and, in some cases, restore the health and productivity of our aquatic ecosystems, habitats, and species are predicated on sound scientific knowledge.

Oceans Management

Program
Activity

Providing Canadians with this...

The sustainable use and conservation of Canada's oceans in collaboration with other levels of government, Aboriginal organizations and other non-government stakeholders.

To achieve these results...

- Canada's ocean areas managed through the adoption of integrated management approaches.
- Coordinated and effective oceans governance.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	24.2	162
Total Authorities	26.3	n/a
Actual	21.1	145



To Results...

	Target	Result	Status
Coverage^c	100% by 2035	31%	🟡🟡🟡🟡🟡
Governance^d	100%	80%	🟡🟡🟡🟡🟡
Stakeholder Engagement^e	100%	60%	🟡🟡🟡🟡🟡

^a Financial figures include Program Enablers (Planned: \$5.1 million; Total Authorities: \$7.5 million; Actual: \$6.9 million).

^b FTE figures include Program Enablers (Planned: 31; Actual: 30).

^c Estimated percentage of Canadian ocean area with integrated management structures.

^d Percentage of Large Ocean Management Areas with inter-jurisdictional Regional Implementation Committees or equivalents.

^e Percentage of Large Ocean Management Areas with Stakeholder Advisory Committees or equivalent.

The Challenge

Modern oceans management arrangements deal with a number of challenges including oceans health; marine habitat loss; declining biodiversity; growing, and often competing, demands for access to ocean resources; and regulatory and jurisdictional complexities. Ensuring that Canadians' goals are met requires a strong science foundation, governance mechanisms to ensure effective decision-making and policy/regulatory tools to support sustainable use and conservation objectives.

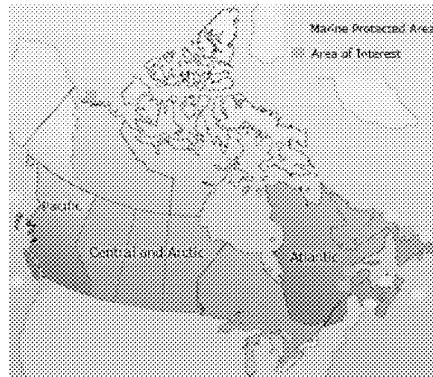
Our Performance

Integrated management processes have been established in five large areas in each of our three oceans. These bring together government regulators, industry, communities and Aboriginal Canadians to develop plans for the sustainable use of our oceans. This work is complemented by the Government's \$61.5 million Health of the Oceans agenda, which invests in science, marine protection, and pollution prevention.

In 2008-09, DFO launched the Pacific North Coast Integrated Management Area to engage Canadians on our West Coast in the development of an integrated management plan for the Pacific North Coast. Significant progress has also been made on the development of integrated management plans for the Beaufort Sea Integrated Management Area and the Placentia Bay/Grand Banks Large Oceans Management Area. Implementation is underway for the integrated management plan for the Eastern Scotian Shelf.

This planning has also been supported by specific conservation measures including the establishment of Canada's seventh Marine Protected Area (under the *Oceans Act*) – the Bowie Seamount on Canada's West Coast.

Marine Protected Areas and Areas of Interest across Canada



Supporting the Health of the Oceans...

- Engaged Canadians in identification of the next candidates as Marine Protected Areas under the *Oceans Act*.
- Launched work, in cooperation with the provinces, to design a national system of Marine Protected Areas networks by 2012.
- Canada contributed to the health of the Arctic Ocean through the development of a suite of indicators to assess and monitor Arctic ecosystems, and contributing to two Arctic Council initiatives to document the State of the Arctic Basin and best practices in ecosystem-based management in the Arctic Ocean.
- Established four new Centres of Expertise to improve the national application of knowledge relating to corals, state of the oceans reporting, traditional ecological knowledge, and coastal management.
- Put in place new equipment and response systems to enhance the Canadian Coast Guard's response to oil spills.
- Provided sound scientific footing for a number of Health of the Oceans initiatives.
- Enhanced bilateral collaboration with the US in the Gulf of Maine is ongoing.

Moving Forward



DFO will continue to work to implement the Government's Health of the Oceans agenda including the establishment of a system of networks of marine protected areas, including six new *Oceans Act* marine protected areas. Efforts will continue to advance the development and implementation of integrated oceans management plans in our five Large Oceans Management Areas.

Oceans Management Sub-Activities

Integrated Oceans
Management

Marine Conservation
Tools

Habitat Management

Program
Activity

Providing Canadians with this...

The conservation and protection of fish and fish habitat from the impacts of activities occurring in and around fresh and marine fish-bearing waters, and improvement of fish habitat.

To achieve these results...

- Healthy and productive fish habitat available to sustain the production of fish species and populations that Canadians value.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	110.8	686
Total Authorities	123.4	n/a
Actual	124.2	672



To Results...

	Target	Result	Status
Compensation Plans^c	420	235	●●●○
Compliance^d	100%	64%	●○○○

^a Financial figures include Program Enablers (Planned: \$40.2 million; Total Authorities: \$56.7 million; Actual: \$51.3 million).

^b FTE figures include Program Enablers (Planned: 117; Actual: 112).

^c Number of *Fisheries Act* authorizations with compensation plans to offset the loss of fish habitat as a result of development projects. This indicator will be replaced in future years as the Habitat Management Program is unable to control the number of authorizations that will be issued from one year to the next. Authorizations are used only when a project proponent is unable to redesign or relocate the project so that it avoids harming or degrading fish habitat. In this context, a better indicator is the proportion of authorizations that include a compensation plan. For 2008-09, that figure is 88%, hence a rating of "Mostly met".

^d Percentage of site inspections that conform with terms and conditions of operational statements, best management practices, letters of advice and *Fisheries Act* authorizations.

The Challenge

DFO's Habitat Management Program is directly involved in the environmental assessments of some of the largest and most complex natural resource and industrial developments across the country — mines, liquefied natural gas terminals, hydroelectric projects, oil sands projects, and infrastructure projects. DFO anticipates roughly \$300 billion in large-scale development proposals over the next few years.

Economic development activities across Canada, particularly in the natural resource sector and more recently in Canada's North, have increased the need for environmental assessments and environmental protection. Stakeholders expect greater involvement in policy and program development and implementation, and legal thresholds for consultations with Aboriginal groups are higher. The Habitat Management Program has to manage the referral of more complex development proposals for regulatory review and environmental assessment, and must review an increasing number of existing facilities.

A sound scientific understanding of species, habitats, and ecosystems is a necessary basis for habitat protection, conservation, and management.

Our Performance

In 2008-09, DFO received 4,000 notifications of use of national Operational Statements for low risk activities (60% more than the past year). The number of requests for reviews and assessments also increased significantly.

The regulatory reviews of major resource projects to which the initiative on Regulatory Improvements for Major Resource Projects (RIMP) applies, have not progressed enough yet to determine if the review times have been reduced. In 2009-10, DFO will continue to undertake activities to facilitate more timely reviews.

General timelines for the conduct of Environmental Assessments (Screenings: 9-12 months; Comprehensive Studies: 21 months; federal review panel: 14 months) and for regulatory decision-making (three months after the Environmental Assessment Course of Action decision, Aboriginal consultation and completion of *Fisheries Act* requirements) have been identified for major resource projects reviewed under the initiative on RIMP. These standards are being applied and included in Project Agreements.

95 percent of all Notices of Commencement concerning DFO's Environmental Assessments were posted on the Canadian Environmental Assessment Registry Internet Site within 14 days from Environmental Assessment start date.

Habitat compliance is a new initiative and has just begun to collect data on this indicator. Consequently, a complete data set has not been validated. This result is best viewed as a baseline against which future performance may be assessed.

The prototype of an Integrated Reporting Module for access by DFO managers was completed, and new data collection systems for tracking Major Projects and compliance monitoring were implemented.

Regulatory Improvement Initiative for Major Resource Projects has...

- Reduced regulatory review times for major projects.
- Implemented service standards for timelines for the conduct of Environmental Assessments.
- Complied with data collection requirements (95%).
- Provided timely and convenient access to habitat data.

Moving Forward



In 2009-10, DFO will continue to improve the efficiency of its regulatory activities, including efforts to modernize habitat compliance. DFO will continue to invest to ensure that its responsibilities with regard to environmental stewardship of aquaculture projects are met. DFO will also seek to accelerate the regulatory review and approval processes for infrastructure projects under Canada's Economic Action Plan. Lastly, DFO will invest in further development and implementation of federal-provincial-territorial partnering agreements on habitat management.

Habitat Management Sub-Activities

Conservation and Protection
of Fish Habitat

Environmental
Assessments

Habitat Program
Services

Aboriginal Inland
Habitat Program

Species at Risk

New Program Activity
in 2009-10

Providing Canadians with this...

The recovery of extirpated, endangered, and threatened species; and the management of special concerned species to prevent them from becoming at risk.

To achieve these results...

- *Species at Risk Act* (SARA)-legislated timelines and requirements are met.
- Federal policies and departmental guidelines on implementation of the Act are developed.

The Challenge

Species at risk protection and conservation is a joint responsibility of the federal, provincial, and territorial governments. As a result, the capacity and level of co-operation and support within each of the provinces and territories can have a significant impact on the implementation of SARA. In addition, land claim agreements in the territories have established wildlife management boards, which share responsibilities with governments on the management of species at risk. Co-operation between and among jurisdictions is critical for the successful implementation of recovery strategies and action plans.

The responsibilities of the Species at Risk Management Program associated with implementation of the *Species at Risk Act* (SARA) grow year over year as the number of species assessed as being at-risk by the arm's-length scientific assessment body, the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) increases. In light of significant information gaps for many species, meeting the SARA-legislated timelines for the production of SARA documents (i.e. species recovery strategies and management plans) has proven to be challenging.

In addition, DFO together with the other federal departments and agencies responsible for implementing SARA, Environment Canada and Parks Canada Agency, are still determining how best to meet the obligations of a still relatively new and complex conservation legislation. The challenges associated with the implementation of SARA are being reviewed by the Standing Committee on Environment and Sustainable Development, which started its review of the Act in 2009-10.

Our Performance

In 2008-09, the Department's Species at Risk Secretariat was renamed Species at Risk Management and integrated into the Oceans and Habitat Sector as a separate Program Activity. This organizational change is one of the mechanisms for ensuring that DFO undertakes its regulatory obligations under SARA in a consistent and coherent fashion across Canada.

DFO, together with Environment Canada and Parks Canada Agency, participated in the early stages of the Parliamentary review of SARA through the provision of a technical briefing to Parliamentarians.

Assessments of the status of species were undertaken by COSEWIC; DFO played a significant role in the provision of scientific information which informs the COSEWIC process. In preparation for engagement in the COSEWIC assessments, DFO undertook a detailed review of the scientific information available for each species; DFO provided scientific data for 20 species assessments undertaken by COSEWIC in 2008-09, and undertook reviews for six species which will be assessed in future years.

While only one recovery strategy was finalized and posted on the SARA Public Registry in 2008-09, work was underway on another 19 recovery strategies and 12 management plans which are expected to be finalized in 2009-10.

Recognizing the importance of the participation of Provinces and Territories in the implementation of SARA, DFO was engaged in the finalization of a Memorandum of Understanding with the Nunavut Wildlife Management Board to harmonize the designation of species under the *Nunavut Land Claims Agreement* and SARA, and of a financial sub-agreement as part of the *Federal-Provincial Accord on Species at Risk* with the Government of Quebec.

During 2008-09, Species at Risk Management achieved the following...

- Developed, together with Environment Canada and Parks Canada Agency, a federal SARA Policy Suite to guide a consistent and coherent approach to the implementation of SARA.
- Contributed scientific information for the COSEWIC assessment of 20 aquatic species; and recommended to the Minister of Environment the listing of nine aquatic species.
- Commenced, continued or finalized recovery strategies and management plans for 20 recovery strategies and 12 management plans for SARA-listed species.

Moving Forward



In 2009-10, DFO will continue to improve its processes within the Species at Risk Management Program to ensure that the Department meets its obligations under SARA related to the protection and recovery of species listed under the Act. It will review its priority-setting mechanism, and its resource allocation processes to ensure that resources are directed towards meeting identified priorities. The management structure of the Program will also be reorganized to support the achievement of Program priorities. The Department will continue efforts to ensure the engagement of Provinces and Territories in the implementation of SARA, and the achievement of its objectives, through the development of Federal-Provincial Accords on species at risk.

Science for Healthy and Productive Aquatic Ecosystems

Program Activity

Providing Canadians with this...

Scientific advice to inform departmental and federal policies, programs, decisions, and regulations associated with the integrated management of Canada's oceans and fish habitat resources.

To achieve these results...

- Comprehensive understanding of aquatic ecosystem function.

Resources and Results

From Resources...

	\$ (\$ million) ^a	👤 (FTE) ^b
Planned	77.8	504
Total Authorities	85.2	n/a
Actual	86.2	514



To Results...

	Target	Result	Status
Publications^c	Maintain current level	43	●●●●
Marine Biology and Hydrobiology Publications^d	Maintain or exceed current level	22%	●●●●
Oceanography and Limnology Publications^e	Maintain or exceed current level	27%	●●●●

^a Financial figures include Program Enablers (Planned: \$22.7 million; Total Authorities: \$30.2 million; Actual: \$27.3 million).

^b FTE figures include Program Enablers (Planned: 101; Actual: 97).

^c Number of Canadian Science Advisory Secretariat publications on aquatic ecosystems.

^d Percentage of Canadian publications in marine biology and hydrobiology attributed to DFO.

^e Percentage of Canadian publications in oceanography and limnology attributed to DFO.

The Challenge

The management of human activity in or around marine and freshwater aquatic environments and the protection of aquatic ecosystems depend on scientific research, understanding, and knowledge. Activities such as oil and gas exploration and development, mining, hydro and tidal power among others, have the potential to impact fish and/or fish habitat. As the ocean economy evolves beyond the traditional seafood sector, multiple and sometimes conflicting uses of the oceans necessitate an integrated ecosystem approach to the management of these uses and the science that informs their management. Further compounding the Science Program's ability to provide advice are the cumulative impacts associated with these activities as well as the impacts of climate change on aquatic ecosystems.

In response to this challenge, the Science Program will continue to implement an ecosystem-based approach to the integrated management of Canada's oceans and inland waterways. This approach provides for an interdisciplinary approach that delivers a more complete understanding of the diversity, population dynamics, habitat and implications for development, and ultimately provides more comprehensive information that reflects the needs of decision and policy-makers.

Our Performance

In recent years, Government of Canada investments in DFO Science have facilitated the transformation from a single species approach to a broader ecosystem-based approach in support of healthy and productive aquatic ecosystems. In keeping with this objective, six geographically based Ecosystem Research Initiatives (ERIs) have been established across Canada to improve our scientific understanding of how these major ecosystems work (i.e. ecosystem structure and function), identify the drivers of change, and enable predictions as to how the cumulative impacts of development may influence these ecosystems.

The recently established Climate Change Science Initiative (CCSI) is working closely with the Ecosystem Research Initiatives to better understand and predict the regional impacts of climate change models on aquatic ecosystems and to anticipate emerging issues including ocean dead zones (hypoxia) and ocean acidification. The Ecosystem Research Initiatives and the Climate Change Science Initiative are in varied stages of implementation, and will continue to mature and reach their full potential in the next couple of years.

Canada's Performance in Aquatic Arctic Research

Between 1996 and 2004, Canada's scientific productivity in aquatic research in the Arctic, as measured by the number of scientific publications was relatively static. In 2005, Canada's productivity began to increase. The most recent data confirms this trend, with Canada producing approximately 300 scientific publications in 2007. While DFO leads Canada's contribution, the Russian Academy of Sciences is the most productive research institution, followed by DFO and the National Oceanic and Atmospheric Administration (NOAA). (Source: Science-Metrix, *Bibliometric Analysis of Aquatic Research in the Arctic*).

This work has immediate and tangible benefits in protecting ecosystems as development and vessel traffic in Canada's Arctic increases. For example, Science used the results of this research to provide advice on alternative ballast water exchange zones in the High Arctic (Beaufort Sea and Hudson Strait).

As part of the Government of Canada's investment in the Health of the Oceans, the Department's Science Program continued to provide advice on the designation and conservation objectives for new Marine Protected Areas (MPAs), and the evaluation of established MPAs in meeting their conservation objectives via the development of monitoring strategies and protocols.

Approximately 43 advisory publications, including science advisory reports, research documents, proceedings, and science responses were produced in direct support of science advice requirements associated with healthy and productive aquatic ecosystems. The number of advisory publications in support of this strategic outcome has remained consistent in the last three years. These and other advisory publications can be accessed on line via the Canadian Science Advisory Secretariat¹⁴.

In 2007, DFO produced 22% of all Canadian publications in marine biology and hydrobiology, and 27% of publications in oceanography and limnology (Source: *Observatoire des sciences et des technologies*). The percentage of publications in these two sub-disciplines has been stable in the last two years; however, there is an overall trend towards a decrease in the percentage of publications as compared with previous years.

¹⁴ http://www.dfo-mpo.gc.ca/csas/Csas/Home-Accueil_e.htm

Moving Forward

The continued progress towards the adoption of the ecosystem-based approach as the default *modus operandi* for Science as well as the other initiatives under Science Renewal will remain essential as the Department faces future challenges. By fully realizing the ecosystem approach, the Science Program will deliver more comprehensive information that reflects the diverse demand for knowledge by decision and policy-makers in support of the integrated management of Canada's oceans and inland waterways.

Science for Healthy and Productive Aquatic Ecosystems Sub-Activities

Fish Habitat Science

Aquatic Ecosystem Sciences

Ocean Climate

Section III: Supplementary Information

Financial Highlights

The table below presents an overview of DFO's financial position.

(\$ thousands)

Condensed Statement of Financial Position At End of Year (March 31, 2009)	% Change	2009	2008
ASSETS			
Total Assets	-0.21%	2,319,027	2,323,890
TOTAL	-0.21%	2,319,027	2,323,890
LIABILITIES			
Total Liabilities	-14.43%	586,906	685,893
EQUITY			
Total Equity	5.75%	1,732,121	1,637,997
TOTAL	-0.21%	2,319,027	2,323,890

(\$ thousands)

Condensed Statement of Operations At End of Year (March 31, 2009)	% Change	2009	2008
EXPENSES			
Total Expenses	-3.45%	1,775,786	1,839,157
REVENUES			
Total Revenues	-0.40%	99,805	100,205
NET COST OF OPERATIONS	-3.62%	1,675,981	1,738,952

Supplementary Tables

The following tables are available electronically at the Treasury Board of Canada Secretariat website¹:

- ☐ Sources of Respendable and Non-Respendable Revenue
- ☐ User Fees/External Fees
- ☐ Details on Project Spending
- ☐ Status Report on Major Crown Projects
- ☐ Details on Transfer Payment Programs
- ☐ Horizontal Initiatives
- ☐ Sustainable Development Strategy
- ☐ Green Procurement
- ☐ Response to Parliamentary Committees and External Audits
- ☐ Internal Audits and Evaluations

Other Items of Interest

Information on the following subjects is available electronically at the DFO website²:

- ☐ Acronyms
- ☐ Awards and Recognition
- ☐ Corporate Risk Profile
- ☐ Organizational Structure
- ☐ Priorities — Operational and Management
- ☐ Program Sub-activities
- ☐ Other

Contact for further information

Fisheries and Oceans Canada
Communications Branch
200 Kent Street
13th Floor, Station 13E228
Ottawa, Ontario
K1A 0E6

Telephone: 613-993-0999
Facsimile: 613-990-1866
TTY: 1-800-465-7735
Email: info@dfo-mpo.gc.ca

¹ <http://www.tbs-sct.gc.ca/dpr-rmr/2008-2009/index-eng.asp>

² <http://www.dfo-mpo.gc.ca/dpr-rmr/2008-09/index-eng.htm>