
EVALUATION
DIRECTORATE

DIRECTION GÉNÉRALE
DE L'ÉVALUATION

SALMONID ENHANCEMENT PROGRAM
PROJECT NUMBER 6B105
FINAL EVALUATION REPORT
SEPTEMBER 22, 2009



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Canada

DFO-62359

\\nats01\NSD\CDCI NCR Inquiry\Network Shared Drive
s\CFO\Evaluation\SEP & Record of Decisions (2009)\
2009-09-28 SEP Report Post-DEC FINAL.doc

CAN027637_0001

TABLE OF CONTENTS

LIST OF ACRONYMS	2
1 EXECUTIVE SUMMARY	3
1.1. BACKGROUND	3
1.2. BASIS FOR THE EVALUATION – COMPONENT A	3
1.2.1. Relevance	3
1.2.2. Success	3
1.2.3. Cost-effectiveness	4
1.3. BASIS FOR THE EVALUATION – COMPONENT B	4
1.4. RECOMMENDATIONS	6
2 INTRODUCTION	7
2.1. PROGRAM BACKGROUND	7
2.2. RISK PROFILE	8
2.3. BASIS FOR THE EVALUATION	9
2.4. OBJECTIVES AND SCOPE	9
2.5. METHODOLOGIES	9
2.6. LIMITATIONS	10
3 FINDINGS: COMPONENT A	11
3.1. RELEVANCE	11
3.2. SUCCESS	15
3.2.1. Successes	15
3.2.2. Opportunities for Improvement	17
3.2.3. Unintended Outcomes	18
3.3. COST EFFECTIVENESS	19
3.3.1. Design and Delivery	19
4 FUNDINGS: COMPONENT B	24
5 RECOMMENDATIONS	28
6 MANAGEMENT ACTION PLAN	29

LIST OF ACRONYMS

BC	British Columbia
CEDP	Community Economic Development Program
CIP	Community Involvement Program
DFO	Fisheries and Oceans Canada
DPR	Departmental Performance Report
FAM	Fisheries and Aquaculture Management
FN	First Nations
NHQ	National Headquarters
OHEB	Oceans, Habitat and Enhancement Branch
OHSAR	Oceans, Habitat and Species at Risk
PAA	Program Activity Architecture
RMAF	Results-based Management and Accountability Framework
RPP	Report on Plans and Priorities
SARA	Species at Risk Act
SEP	Salmonid Enhancement Program
TB	Treasury Board
TBS	Treasury Board of Canada Secretariat

1 EXECUTIVE SUMMARY

1.1. BACKGROUND

The Salmonid Enhancement Program (SEP) was established in 1977 with objective of restoring stocks of salmon to their historic levels of abundance. Over 30 years, the program has evolved beyond its original goal centered on salmon production to a program based on multi-faceted set of objectives. The current emphasis is on achieving both ecosystem wide and socio-economic benefits categorized into four priorities: fish production, community capacity development, public stewardship and habitat restoration.

The SEP undertakes a number of its Community Economic Development Program activities, (close to \$4 M per year) by contracting the services of volunteer organizations, Aboriginal Bands and non-profit community organizations. In 1997 Treasury Board granted DFO exceptional authority to enter into non-competitive sole-source contracts up to \$1,000,000 from the \$100,000 limit under the Policy. The Program enters into service agreements pursuant to this sole-source contract authority. In 2007, Treasury Board granted a limited renewal of this authority for two years pending the results of a program audit and evaluation. The present evaluation fulfills part of the Treasury Board requirement and is necessary if the program is to seek long term renewal of this exceptional contracting authority.

1.2. BASIS FOR THE EVALUATION – COMPONENT A

Component A evaluates the program with respect to relevance, success and cost-effectiveness.

1.2.1. Relevance

SEP is aligned with Government of Canada priorities as well as DFO's mandate and strategic outcomes. The continuing need for the Salmonid Enhancement Program (SEP) was emphasized by the recent renewal of the Pacific Salmon Treaty (PST) between Canada and the United States under which Canada is committed to specific salmon enhancement activities. Currently, SEP is the only Federal program providing large-scale salmon enhancement activities. Further underscoring the need for SEP is DFO's Wild Salmon Policy which indicates the SEP's roles and responsibilities for conservation of wild salmon. There are also indications of public support for SEP activities in the Pacific region particularly in relation to habitat stewardship, education and outreach which are important to make possible the societal adjustments for resource conservation.

1.2.2. Success

Overall observations are that the SEP has been successful in a number of areas. The SEP has met and sometimes exceeded expectations relative to reaching hatchery production targets, providing community outreach and partnering, and raising public awareness through education for the conservation and protection of salmon habitat. There are however, opportunities for the SEP to improve its performance measurement and better demonstrate progress towards rebuilding salmon populations.

1.2.3. Cost-effectiveness

Presently, the SEP sits within the Oceans, Habitat and Enhancement Branch (OHEB) in the Pacific Region yet reports functionally and is funded through the Fisheries and Aquaculture Management (FAM) sector at the National Headquarters. The SEP reports its salmon enhancement activities to FAM but the Program activities related to habitat restoration are not formally reported through the Oceans, Habitat and Species at Risk Sector at NHQ. The SEP's contribution to Sustainable Fisheries and Aquaculture objectives through FAM is recognized, whereas its contribution to Healthy and Productive Aquatic Ecosystems, through OHSAR, is not. In the region, both OHEB and FAM are under the responsibility of the same Regional Director.

A significant number of the SEP staff is nearing retirement and in order for the SEP to continue to meet its objectives and achieve success, effort will be required to ensure the transmission of vital corporate knowledge to new and existing staff.

The Program as designed placed a significant emphasis on hatchery production and as such, a significant portion of the SEP budget is permanently dedicated to maintaining and operating major facilities. An increasing amount of funds are thus required to support and maintain aging facilities; funds which could have been used to fund other program objectives and activities.

During the 90s, the SEP obtained technical assessments and cost-benefit analysis to rationalize non-performing facilities. Public and stakeholder pressure was such that all facilities remained operational. A study has also been conducted to review SEP's aging facilities and determine the costs to refurbish them. The need for investments in infrastructure and operations has limited the Program's ability to reallocate resources and adapt to changing needs and priorities. Federal Government and Department obligations, changing needs and objectives, aging facilities and new approaches to salmon production are placing pressure on the SEP program to assess its facilities.

1.3. BASIS FOR THE EVALUATION – COMPONENT B

Component B examines whether grants and contributions, rather than the exceptional sole source contracting authority, would be more appropriate and effective delivery mechanism.

In 1997, the Treasury Board granted to DFO the authority to enter into non-competitive contracts connected with the SEP, up to a maximum value of \$1,000,000. This exceptional authority was extended for a further two years in 2007. Further submissions to TB for renewal of the exceptional limit required that an audit and evaluation of the SEP be completed. Moreover, the evaluation had to assess whether Grants and Contributions were a more appropriate and effective delivery mechanism.

An examination was undertaken to determine whether Grants and Contributions would be a viable alternative mechanism for program delivery.

At the time of inception, the underlying government priorities for economic development and the social and economic realities in the remote and isolated areas where SEP hatcheries were located made it difficult for DFO to recruit sufficient staff to support operations.

Since the SEP was mandated to directly provide salmon enhancement (i.e., hatchery operations), service contracts were issued with First Nations and other communities to undertake these duties to assist the SEP in fulfilling its program responsibilities. The delivery of these services were best delivered through sole-source contracts which allowed the SEP direct involvement in how facilities were run and ensured that Crown, stakeholder and Canadian interests were protected.

Contracts are a more adaptable, expedient and a secure funding approach ensuring uninterrupted salmon production. Contracts offer the SEP a formal means of control and oversight with the contractor, allowing for specified targets and dates, foods, cycles, species, data collection and reporting requirements. Grants and contributions would not provide the same level of secure and regular funding as contracts. Grants and Contributions best serve social needs and would not adequately support the operational needs and realities of salmon production. Therefore, Grants and Contributions would not be a viable alternate mechanism for Program delivery.

The SEP's exceptional contracting limit remains an appropriate and effective funding mechanism for delivering the Program in terms of salmon production to maintain harvest opportunities, maintain community relations and ensure stewardship and accountability.

RECOMMENDATIONS

Component A

- 1. It is recommended that a succession and mentoring plan be developed and implemented. This plan should include steps to ensure the transmission of vital corporate knowledge to new and existing staff particularly community advisors and scientific and technical staff.**
- 2. It is recommended that the SEP finalize its logic model and performance measurement strategy with relevant and realistic performance indicators for all levels of outputs and outcomes (immediate, intermediate and long-term) to reflect the program's results chain. The Strategy should include a mechanism to ensure that results are reported to Fisheries and Aquaculture (fish production) and Oceans, Habitat and Species at Risk Sector (habitat restoration) at NHQ.**
- 3. It is recommended that the SEP undertake an assessment of the facilities, factoring in the Program implications of the Pacific Salmon Treaty and the Wild Salmon Policy as well as the estimated cost to refurbish the facilities.**

Component B

- 4. It is recommended that the SEP continue to utilize the sole-source contracting mechanism to undertake its program activities and seek renewal of the exceptional limit to sole source contracting authority.**

2 INTRODUCTION

2.1. PROGRAM BACKGROUND

The Salmonid Enhancement Program (SEP) was established in 1977 with the express purpose of restoring stocks of salmon and anadromous¹ trout to their historic levels of abundance, with the overall objective of doubling the salmon catch. Activities such as artificial spawning and incubation hatchery systems, construction and rehabilitation of spawning channels and lake enrichment and freshwater habitat improvement in British Columbia and the Yukon were used to meet this objective. The program also had several secondary social objectives such as increasing national income, employment and regional development, improving native people's well-being and improving and preserving the salmonid resource and its environment.

Over 30 years, the Program has grown from its original primary objective to include a multi-faceted set of objectives which address the Government of Canada's priorities and Fisheries and Oceans Canada (DFO) strategic objectives. As a result, while SEP is responsible for a number of activities, it has gradually expanded its role to provide information to the fisheries management and stock assessment programs, to enhance the management of pacific salmon stocks and to support international treaty negotiations and requirements such as the Pacific Salmon Treaty (PST).

As there are thousands of stocks spread widely throughout the province of British Columbia, the enormity of salmon conservation and enhancement depends on collaborations between DFO, First Nations, non-profit organizations, community groups and various other stakeholders. As a result of extensive public and stakeholder consultations in 2000, DFO staff reshaped the initial priorities into four program objectives during the scope of the evaluation.

- Fish Production
- Community Capacity Development
- Public Stewardship
- Habitat Restoration

DFO Major Fish Enhancement Facilities (\$15.3M per year):

The role of the major fish enhancement facilities was to engage in stock recovery and rebuild the depleted stocks while providing harvest opportunities and fishery benefits as part of an Integrated Fisheries Management Plan. There are 23 major fish enhancement facilities within the SEP. Twenty two are owned and operated by DFO. The Pallant Creek hatchery on the Queen Charlotte Islands is owned by DFO, jointly funded by the SEP and the Aboriginal Fisheries Strategy and operated by the Haida Tribal Society.

¹ Anadromous: (Of fish) ascending rivers from sea to spawn.

- **Community Involvement Program (CIP) (\$6.5M per year):**
The CIP consists of two elements. First, the Community Economic Development Program (CEDP) with an annual budget of approximately \$3.5 million is composed of 21 hatchery projects operated under contract. Second, the Public Involvement Program (PIP) receives \$3.0 million for education, outreach, streamkeepers activities, and the operation of small volunteer run hatcheries and funds roughly 350 projects.
- **Habitat Restoration (\$2.7M per year):**
This component focuses on habitat, restoration, as well as support for integrated watershed planning and partnerships related to habitat. It leverages between three to four million dollars a year from the private and volunteer sectors.
- **Program Coordination, Assessment and Direction (\$1.2M per year):**
This component provides for planning, co-ordination and technical support and direction for the other program components.

It should be emphasized that fish production remains the Program's main goal and most supported in terms of resources (\$19.3M out of \$25.7M) and activities ranging from large scale DFO hatcheries to the smaller scale hatcheries run by First Nations and local community groups under the Community Economic Development Program.

In 2008 the SEP launched a 5 year revitalization strategy as a means of modernizing and renewing the program. However, at the time of the evaluation, the SEP revitalization strategy elaboration was still underway and it was therefore too early to integrate these results in the analysis.

2.2. RISK PROFILE

In 2007 a program risk profile² was developed. Seven program related risks were identified and categorized from moderate to extreme.

Risk	Level	Risk Event
1. Alignment of funding to program delivery	Extreme	There is a risk that SEP's program commitments and delivery requirements will further out pace its funding.
2. Infrastructure	High	There is a risk that infrastructure deterioration will exceed the program's ability to maintain assets.
3. Knowledge	High	There is a risk that the SEP program loses so much critical knowledge that program effectiveness dwindles below acceptable levels.

² Department of Fisheries and Oceans, Risk Profile of the Salmon Enhancement Program, Final Draft Report, September 28, 2007.

4. Program Effectiveness	High	There is a risk that SEP is unable to demonstrate performance.
5. Governance Structure	High	There is a risk that the current state of implementation of the governance structure will lead to missed opportunities to strategically address regional priorities, and to implement the program with consistency.
6. Information Management	Moderate	There is a risk of loss of information and inefficient document retrieval.
7. Partners	Moderate	There is a risk that SEP loses leverage with key partners and clients.

2.3. BASIS FOR THE EVALUATION

The SEP uses the sole-source contract authority to acquire services from volunteer organizations, Aboriginal Bands and non-profit community organizations. Pursuant to the Treasury Board Contracting Directive, Departments require Treasury Board approval in order to enter into contracts exceeding various monetary thresholds. In 1997 the Treasury Board granted to DFO the authority to enter into non-competitive contracts connected with the SEP, up to a maximum value of \$1,000,000, for a period of 10 years.

In 2007, this authority was extended for a further two years. DFO was directed to complete an audit and evaluation of the program. Evaluation was also directed to assess the use of sole-source contracting authority relative to Grants and Contributions. The present evaluation fulfills this requirement and is necessary for the program to seek long term renewal of this exceptional contracting authority.

2.4. OBJECTIVES AND SCOPE

The objectives of this evaluation were for Component A to review the continued relevance of SEP, determine its success in meeting Program objectives, and assess the extent to which it was cost-effective; and for Component B, to review whether grants and contributions were a more appropriate and effective mechanism for delivering certain SEP activities than the current use of the Department's sole-source contracting authority. The evaluation covered the 2002-03 to 2007-08 fiscal year periods (\$25.7M per year).

2.5. METHODOLOGIES

The evaluation was conducted using multiple lines of evidence including:

Document and literature review: The evaluation included a review of various Government and Department documents, reports (DPR, RPP), economic analysis, program background and performance measurement documents, public consultation records, strategic plans and frameworks, administrative records, financial records, and past audits and evaluations. Scientific and Economic based articles related to salmon enhancement were also consulted.

Interviews: In total, 70 key informant interviews were conducted either in-person or by telephone and consisted of seven DFO officials at National Headquarters, 29 Pacific Headquarters and regional staff, and 34 stakeholders including seven First Nations representatives.

Site Visits: A total of five SEP facilities were visited. Four were CEDP hatcheries and the other was a major facility in the Metro Vancouver area. Of the four CEDP facilities, one was located on the lower main land; two on Vancouver Island (one of which is operated by a First Nation organization) and the fourth, near Kamloops in the interior of British Columbia, is operated by a First Nation organization.

2.6. LIMITATIONS

The conduct of this evaluation faced two (2) primary limitations. First was the limited availability of results-based management information for the SEP. A-base funding has been in place for the SEP, prior to TBS Results-based Management and Accountability Framework (RMAF) guidelines being adopted. The Program was therefore not required to produce a RMAF. Due to this lack of a formal performance measurement framework and logic model, a results-chain using performance information was developed for the program based on DFO Management, Resources and Results Structure (2007-08) and DFO corporate publications (e.g., Reports on Plans and Priorities and Departmental Performance Reports from 2002-03 to 2007-08). These performance indicators did not provide sufficient evidence to demonstrate that the program outcomes were achieved. Greater reliance has therefore been placed on other lines of evidence.

Second, given the time constraints and limited resources available in undertaking this evaluation, the site visits only took into account a small sample of the total facilities presently operating. Only one of the 23 major facilities was visited even though close to 60% of the SEP budget is spent on major facilities. There were also no site visits to facilities in the northern areas of British Columbia.

3 FINDINGS: COMPONENT A

3.1. RELEVANCE

Key Findings:

- SEP is aligned with Government of Canada priorities and DFO mandate and strategic outcomes.
- There are indications of public support for SEP activities in the Pacific region.
- Recent renewal of the *Pacific Salmon Treaty (PST)* between Canada and the United States with commitments to specific salmon enhancement activities, and DFO's *Wild Salmon Policy* which indicates the SEP's roles and responsibilities for conservation of wild salmon, highlight the continuing need for the Salmonid Enhancement Program (SEP) as the only Federal program providing large-scale salmon enhancement activities in support of Federal and DFO commitments.

At the time of the evaluation, there were indications of an increasing alignment of the SEP with Government of Canada priorities including support for traditional industries such as fisheries, protection of water and land and improving the lives of Canada's aboriginal people. Further in April 2009, the SEP received funding from the 2009 Budget through Canada's Economic Action Plan. The SEP will receive funds under the Modernizing Federal Laboratories Initiative to refurbish its hatcheries (\$2.60M) as well as to renovate the infrastructure for improving both the water supply and delivery systems (\$5.47M).

Linkages exist between the SEP and the DFO mandate and strategic priorities. SEP is identified under Fisheries Management within DFO's 2007 Program Activity Architecture (PAA) structure and as such primarily contributes to the *Sustainable Fisheries and Aquaculture* strategic outcome. The fish production objective, which represents 75% of SEP's total budget, supports the PAA Fisheries Management activity. The SEP is also integral to the DFO's Strategic Plans (2000-2005, 2005-2010), Sustainable Development Strategies (2001-2003, 2005-2006, 2007-2009), and DFO's RPP (2005-2006, 2006-2007, 2007-2008).

The three remaining SEP objectives of habitat restoration, community capacity development, public stewardship which represent 25% of SEP's budget could also be linked to a strategic outcome in the PAA, namely, *Healthy and Productive Aquatic Ecosystems*, although they are not specifically identified as such.

The continuing need for the SEP can be emphasized by the renewal of the Pacific Salmon Treaty (PST) between Canada and the United States in 2008. Effective from 2009 to 2018, the purpose of the treaty is to ensure the conservation and harvest sharing of Pacific salmon and commits both parties to a carefully planned and coordinated joint enhancement program for trans-boundary rivers. The treaty also ties Canada and the US to certain principles, including the implementation of an enhancement program consistent with the protection of existing wild salmon stocks, the habitat upon which they depend

and the use of a variety of approaches to increasing production. This Treaty and its principles have major implications for DFO in particular for salmon enhancement activities where the SEP is the only means for Canada to honour its commitments.

Further highlighting a need for the SEP is DFO's Wild Salmon Policy which came into effect in 2005. The policy describes how DFO will meet its responsibilities for the conservation of wild Pacific salmon. It stipulates an overall policy goal for wild salmon, identifies basic principles to guide resource management decision-making, sets out objectives and strategies to achieve the goal and defines SEP's roles and responsibilities for enhancement and other activities.

It was noted by Program staff that the SEP needed to be revitalized and refocused so that it could better address the current context of the salmonid resources and the continuing decline of Pacific Coast salmon stocks. The approach to doing so would be the continuation of alignment of the SEP with the Wild Salmon Policy. Other initiatives such as the Recreational Fisheries Vision, Species at Risk Act (SARA), climate change and integrated planning in the Oceans Act could also impact the SEP.

Indications are that there is public support for the SEP to focus on environmental stewardship by volunteer groups, habitat protection and restoration, education and the development of remote communities through the economic benefits provided by the hatcheries. Most key external informants were of the opinion that the use of social mechanisms such as stewardship, education, and outreach were important to make possible the societal adjustments for resource conservation. Moreover, it was thought that enhancement achieved through ecological means, such as habitat restoration, were a more responsible approach to sustaining the resource. Public support for the SEP does not appear to be uniform across the province. In coastal areas, where there is a large commercial and recreational fisheries industry, awareness of the SEP program is high whereas within the interior areas of the province the program has less visibility.

Public support for the SEP's primary Fish Enhancement Facilities activities did not appear as robust. Results of the 2002 public consultation seemed to emphasize the importance of sustaining wild salmon (i.e., supporting genetically diverse and self-sustaining salmon populations) with the thought that sustaining fisheries through the use of hatcheries posed a risk to wild salmon. It was felt that smaller facilities should be favoured over major facilities and that hatcheries should be used as a temporary measure when a salmon run is threatened with extinction and until the salmon run is secured and sustainable once again. It should be noted that the last SEP consultations (in 2000) were held concurrently with the consultations for the drafting of the Wild Salmon Policy and may have influenced public understanding that resulted in the public favouring enhancement for conservation purposes over the enhancement for harvest purposes.

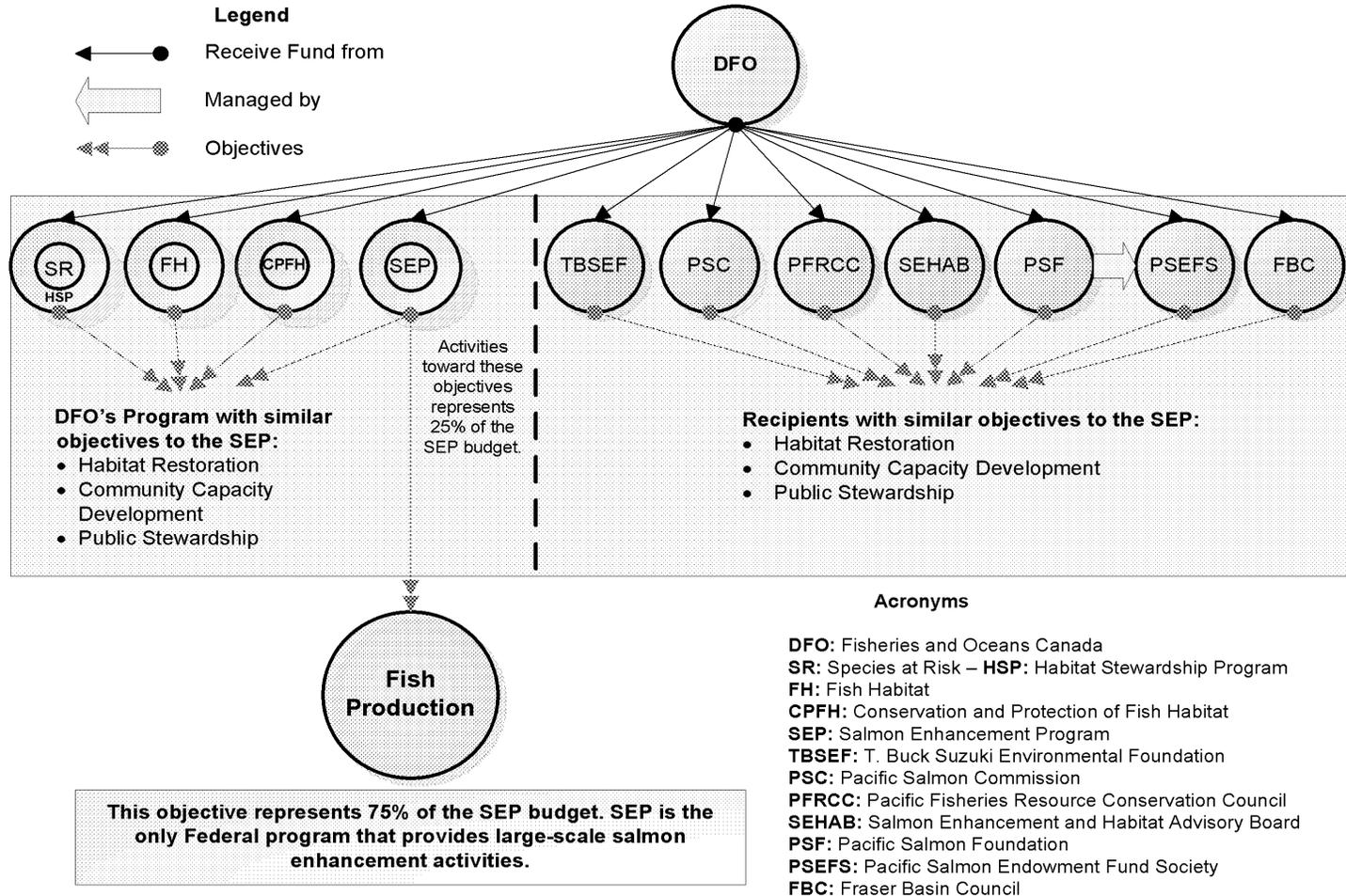
It was observed that the SEP activities of habitat restoration, community capacity development and public stewardship share similar objectives to other DFO programs and contribution agreements; however, their activities complement rather than duplicate each other. *(See graph 1 on page 14).*

These programs and recipients do not share the same activities or the same project selection criteria which vary between programs. For example, the SEP and the Habitat Stewardship Program (HSP) share similar overall objectives but have different criteria which distinguishes them. The SEP projects are involved in salmon enhancement activities, which include projects of habitat restoration, community capacity development, public stewardship and fish production.

HSP projects consider only Species at Risk Act (SARA) listed species and fund projects related to these species for habitat restoration, community capacity development and public stewardship. *(Project selection criteria for the programs and recipients listed in Graph 1, were not studied in detail for the SEP evaluation).*

It can be noted that of the SEP's four activities, the fish production component is unique. The SEP is the only Federal program that provides large-scale salmon enhancement activities and it is this activity which would serve to support the objectives, principles and DFO's commitments under the Pacific Salmon Treaty.

Uniqueness of the SEP's Activities: Fish Production



Graph 1: Uniqueness of the SEP's Activities: Fish Production

3.2. SUCCESS

Key findings:

- The SEP program has had success in meeting hatchery production targets, providing community outreach and education, and raising public awareness of conservation and protection of salmon habitat.
- There are opportunities for the SEP to improve its performance measurement and better demonstrate progress towards rebuilding salmon populations.

3.2.1. Successes

As an A-based funded program there was no requirement for the SEP to develop an RMAF, logic model or performance measurement strategy resulting in the limited availability of relevant results-based data. This lack of a formal performance measurement framework and logic model led the evaluation team to build a results chain for the program through the use of high-level performance information from the DFO Management, Resources and Results Structure (2007-08) and DFO corporate publications (RPP and DPR from 2002-03 to 2007-08). Performance indicators differed from year to year and as a result a greater emphasis on the views of the 70 key informants was required.

Prior to and during the course of this evaluation, the SEP, through its revitalization process, has been engaged in developing a results oriented logic model and performance measurement framework. This process has been instrumental in helping the Program to identify, delineate and understand its roles and responsibilities and those of its partners, DFO Science and Resource Management (FAM).

Efforts to measure salmon returns have also decreased over the years as a result of funding reductions for monitoring and tracking activities thereby further reducing the ability to determine success in rebuilding salmon populations.

Public Awareness, Community outreach, partnering, education and habitat restoration

Public Awareness, community outreach, partnering and education outcomes were viewed as the SEP's most successful program activities. SEP has been successful through its collaborative efforts and volunteer recognition in establishing 10,000 regular volunteers as full time members of numerous organizations (streamkeepers, habitat societies, etc.). These volunteers are involved in leading activities such as supporting salmon conservation, providing awareness activities and undertaking stewardship work. A further 10,000 - 20,000 are occasional volunteers who regularly participate by providing support to the activities of these other organizations. It was remarked by stakeholders that these dedicated volunteers seem to suffer burn out to a lesser degree than those involved in other charitable ventures. However, as greater reliance is placed on volunteers as a result of economic pressures and limited program budgets, it is uncertain if this level of engagement can be sustained.

Respondents indicated that SEP had perhaps become a “victim of its own success” particularly through some of the educational outreach activities which resulted in increased public awareness, elevating salmon’s profile to almost iconic status. Public awareness and the sensitivity which British Columbians ascribed to Salmon have made it difficult for SEP management to make sound program decisions such as rationalizing the use of facilities.

The majority of internal and external respondents agreed that the SEP is contributing successfully to the achievement of habitat restoration through community partner projects. From the Environmental Non-Government Organizations’ perspective, SEP is seen as meeting the community involvement objectives through the many schools and hatcheries involved (CEDP and PIP).

It should be noted that a SEP’s successes are being recognized outside Canada. The State of Washington has undertaken to replicate SEP’s educational model.

Production, Operations and Targets

Those involved in hatchery production or the reporting process agreed that SEP’s program output targets were being met. The only times these targets were not met were as a result of situations beyond their control such as inclement weather, power failures, technical problems with hatchery equipment or insufficient brood stock collection.

Although the production targets were being met, the respondents stated that these facilities were not being utilized to full capacity for a number of reasons including a lack of financial resources to provide adequate fish food, hatchery facilities in need of repairs or upgrades, lack of available brood stock and insufficient number of staff. This applied to major hatcheries but more particularly to CEDP facilities.

The operation of hatcheries was also described as being successful. The majority of respondents, primarily from the perspective of the external clients, felt that the SEP was achieving its results.

SEP collects and provides data on the actual numbers of juvenile salmon released from the hatcheries (major and CEDP). Concurrently, SEP was successful in the release of juvenile salmon into streams. Stakeholders agreed that major facilities and CEDP hatcheries usually meet their production targets.

Rebuilding Salmon Populations

Respondents within DFO felt that, although SEP has not achieved its original objective of doubling the salmon catch, the SEP had been successful in rebuilding salmon populations based on ecological objectives. It was felt that the SEP had contributed to the aboriginal and sport fisheries by allowing for a sustained salmon population. External informants, however, were of a mixed view on this issue. Some felt that diminishing resources had resulted in a reduction of the production of enhanced salmon necessary to combat the

decline in stock. Others believed that due to other variables such as changes in the marine regime, climate change, and increased pressure on land use in watersheds, it was difficult for the SEP or others to rebuild salmon stocks.

SEP's objective of providing access to harvest opportunities for recreational fishers have been met as a result of various factors including changes in the proportion of salmon species population favoured by recreational fishers. Harvest opportunities seem more focused on recreational fisheries rather than commercial fisheries.

3.2.2. Opportunities for Improvement

Number of Facilities and Performance Measurement

The majority of the respondents felt that there were too few hatcheries and spawning channels to meet the Program's objectives. This view was mainly held by external clients and stakeholders and was not shared by DFO respondents. Up until the early 1990s, cost-benefit studies regularly assessed the efficacy of these facilities and recommendations were made for the closure of non-effective ones. Internal key informants hold the belief that strong public support and political influence exerted by various constituencies have played a significant role in denying SEP the ability to close down selective facilities.

However, without the implementation of a robust performance measurement framework it will be difficult to determine which facilities are efficient and which ones are not. The Program also needs to ensure that the means are provided, such as for monitoring and tracking activities to help measure the efficiency and effectiveness of the facilities.

Progress towards rebuilding of salmon populations

SEP's success in its approach to addressing the varying stakeholder expectations and dealing with shifts in program objectives from production to conservation oriented salmon enhancement elicited a mix response from respondents. There were also mixed responses as to whether SEP was employing the right approaches in rebuilding the salmon population.

Perhaps more importantly another concern was raised from all sources (key informants, document review and literature review) as to whether the production of enhanced salmon was having a negative impact on wild salmon. There are several risks that have been identified the most prominent one being the over-harvesting of wild salmon in mixed stock fisheries that include enhanced runs and genetic interactions. These risks are deemed important enough that a precautionary approach to hatchery development and management be taken in the absence of sufficient current research³.

³ Gardner, Julia, David L. Peterson, Allen Wood & Vicki Maloney, [Making Sense of the Debate about Hatchery Impacts: Interactions Between Enhanced and Wild Salmon on Canada's Pacific Coast](#), Pacific Fisheries Resource Conservation Council, March 2004.

A number of respondents indicated that there was a lack of available and credible DFO information and data to properly assess whether or not stocks were being rebuilt. SEP's performance measurement was traditionally geared to the program's output/production and driven by data on salmon populations which provided information on the salmon lifecycle. There were fewer indicators or measures available to determine if the SEP is in fact making progress because DFO's monitoring of salmon returns had been reduced as a result of budget cuts. SEP is working with other DFO sectors to better adapt roles, relationships and responsibilities for this activity. This is particularly true when collaborating with Resource Management (FAM) in terms of harvest planning and management and Science in regards to stock assessment, changing marine regime, climate change and other environmental variables when planning, developing and integrating this information that SEP can not undertake on its own.

Also raised were concerns regarding CEDP facilities, particularly the lack of technical advisory support (biologists and engineers) required to address problems such as for diagnosing and treating fish diseases and resolving equipment problems on sites and ensuring better critical survival rates at the hatcheries.

A few key informants advocated the need for project evaluations to be conducted as SEP's outputs/outcomes are based on projections which have been affected by reduced monitoring. It should be noted that monitoring and stock assessment, principally a responsibility of the Science sector, has been reduced or cut over the years and this has left the program to, at best, estimate the success of enhancement activities (i.e., hatcheries and resource restoration).

Finally, some respondents felt that SEP and DFO were not doing enough to counter the impacts of industrial/recreational land uses on rebuilding salmon and addressing the increasing habitat damage even though land use is a provincial responsibility.

3.2.3. Unintended Outcomes

An unintended long term outcome was the shift from an approach that assumed that hatchery produced fish would simply add to the overall production and compensate for reductions in salmon stocks caused by human and other impacts, to an approach that is centered on the conservation, sustainability and integrity of salmon populations.

The SEP has a demonstrated success in garnering public support for the protection, stewardship, and rebuilding of salmon and their habitat. Evidence suggests that the SEP is seen as a showcase program for the federal government in the Pacific region. It was indicated that because the SEP has had such a successful grassroots approach to delivering the program, the community and volunteers strongly identified with SEP, almost as an autonomous entity, as opposed to seeing it as a component of DFO.

3.3. COST EFFECTIVENESS

Key findings:

- The SEP reports functionally and is funded through the Fisheries and Aquaculture Management (FAM) sector. Salmon enhancement activities are reported through FAM, yet habitat related activities and results are not reported through Oceans, Habitat and Species at Risk (OHSAR) sector.
- A significant number of the SEP staff is nearing retirement and effort will be required to ensure that knowledge vital to the Program's success is not lost.
- Program design and hatchery production has led to an increasing amount of funds being required to support and maintain aging facilities; funds which could have been used to fund other program objectives and activities.
- Federal Government and Department obligations, changing needs and objectives, aging facilities and new approaches to salmon production are placing pressure on the SEP to assess its facilities.

3.3.1. Design and Delivery

Since 2000, the DFO area management model led to a decentralization of the department's services into five geographical areas covering British Columbia and the Yukon. For community oriented SEP activities (i.e., community capacity development, habitat restoration and stewardship) it was felt by some that the model worked well in that it allowed for better integration between the various program components, such as fish production and fish habitat. However, this model may have challenged the SEP's ability to align, coordinate and optimize its activities and some thought that it hampered the Program's ability to employ consistent standards, share physical assets and equipment and coordinate outputs which may have affected major hatcheries. Further, some felt that changes or improvements to the design and delivery approach were necessary while others that SEP continued to be cost effective.

Goals established 30 years ago for the SEP, namely fish production to double salmon catch, were viewed by some as somewhat outdated, and it was suggested that the funding model perhaps did not reflect, nor was aligned with the current SEP objectives of conservation-based fish production, community capacity development, public stewardship and habitat conservation.

Presently, the SEP resides within the Oceans, Habitat and Enhancement Branch (OHEB) in the Pacific Region yet reports functionally and is funded through the Fisheries and Aquaculture Management (FAM) sector at the National Headquarters. The SEP reports its salmon enhancement activities to FAM but the Program activities related to habitat restoration are not formally reported through the Oceans, Habitat and Species at Risk (OHSAR) sector at NHQ. In the region, both OHEB and FAM are situated under the same Regional Director.

SEP has since its origins been part of fisheries management sector at NHQ, and resided within FAM regionally until the mid 1990's when it was merged with OHEB. This permitted the program to have better linkages with the habitat program within the region, while remaining an integral part of the FAM outcome. The SEP, while contributing officially only to FAM (Sustainable Fisheries and Aquaculture objective) does also contribute to Habitat (Healthy and Productive Aquatic Ecosystems objective) and should be reflected as such. Regionally this linkage is recognized through a line reporting structure, yet there remains a continued need for stronger cross-sector linkages between FAM, Science and OHEB as they pertain to SEP objectives.

Role of Major Hatcheries

SEP's major hatcheries are funded and operated by DFO, except the Pallant Creek hatchery on the Queen Charlotte Islands which is owned by DFO, jointly funded by the SEP and Aboriginal Fisheries Strategy and operated by the Haida Tribal Society. The facilities cost \$15.3 million to run per year or approximately 60% of the SEP budget and are therefore the largest budget item of the SEP. Major hatcheries have over the years been under increasing public scrutiny and this has amplified the need for these facilities not only to be successful but also cost-effective.

The effectiveness of hatchery operations is tied to the different regional needs for salmon production. Societal and economic differences between geographical zones in British Columbia have refocused area priorities. In the Southern Coast, rapidly developing urban area priorities are focused on conservation to sustain and rebuild species at risk or to protect salmon habitat and to support a vibrant recreational fishery. In the Interior, the salmon life cycle is more fragile with lower salmon survival rates and salmon populations are smaller, the orientation is toward monitoring and assessing of the health and fitness of salmon populations in general.

The Northern zone has a commercial and recreational fishery of value which places pressure for larger scale production of salmon while needing to take into account the conservation of wild salmon through addressing the mixed stock fisheries issues that are a potential risk to wild salmon.

These differing needs between zones impinge on the effectiveness of major facilities as they influence the types of salmon produced. Not all types are as easily biologically or economically produced nor are they all produced using similar methods.

Stock recovery and the interplay between wild and enhanced salmon are affecting the operational environment at major hatcheries. New policies, such as the Wild Salmon Policy and legislation such as the Species at Risk Act have fundamentally changed the nature of salmon enhancement. There remains a fundamental scientific debate as to the genetic impact of hatchery produced salmon on wild salmon populations. It was suggested though, that the Program was cost-effective in producing salmon through major facilities. However, any new "conservation based fish production" role for major hatcheries would need to be balanced with the requirements of the Wild Salmon Policy

and Canada's obligations under the Pacific Salmon Treaty. This agreement between Canada and the United States contains an important clause with respect to producing a greater number of salmon in order to maintain indicator stocks and to increase economic prosperity.

SEP's gradual shifting of hatchery operations towards conservation-based salmon production seems to be the exception to other salmon producing countries. Other countries such as Russia, Japan and the United States (mainly Alaska) focus their salmon enhancement hatcheries on producing salmon species principally for harvest to the fishery industry and that are easier to raise in hatcheries, therefore allowing for greater tonnage output. SEP's goal to re-orient the role of hatcheries to a more conservation-based fish production along with programs in Washington State and Oregon State is an innovative approach towards achieving environmental sustainability.

It was also felt by some that the facilities should be temporary solutions and that the answer lies in better fisheries management practices and hatchery reform. Better fisheries management practices would enable hatcheries to be used only for a moderate period of time (i.e., until the salmon runs being enhanced became self-sustaining once again) rather than on a permanent basis; whereas hatchery reform was mentioned both by key informants and in technical reports as necessary if DFO was to support its obligations under the Wild Salmon Policy. Others proposed that in order to improve decision-making, the SEP hatcheries could be used for science (i.e., stock assessment) and conservation purposes rather than production for the fishing industries (e.g., commercial and recreational fisheries).

It might prove difficult for SEP to change the role of some hatcheries as they were not constructed nor engineered for conservation based fish production and that a loss in DFO's engineering capacity would prove to be a challenge to adapting some facilities to these new objectives.

Capacity

Funding constraints have led some to question whether facilities were operating at or below their capacity. The under utilization of the facilities would impact the cost-effectiveness of the hatcheries since their optimum level of production was not being realized. Others wondered if perhaps some production targets were set too high or some major facilities were over-sized. Some key respondents are of the opinion that although hatcheries were effective in mass producing salmon, the advantages from aligning salmon enhancement at SEP to the approaches outlined in the Wild Salmon Policy (a more holistic enhancement approach which includes watershed and coastal planning) would benefit the long term sustainability, diversity and health of salmon populations.

Stock Assessment and Research Needs

Assessment and monitoring activities, required to help determine and quantify the effectiveness of enhancement, would lead to better program planning. A lack of science

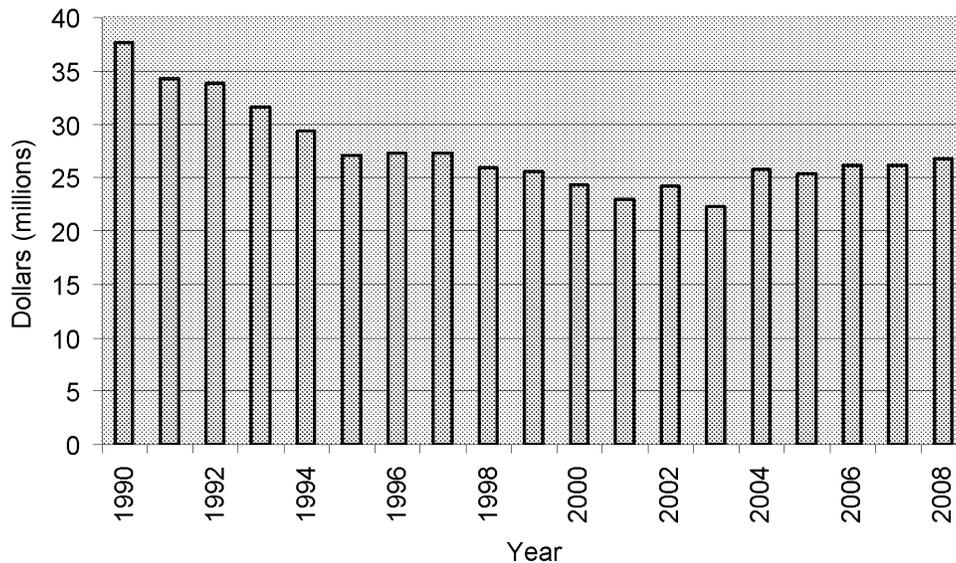
and research based support has been identified. Science Branch is responsible for assessment in Pacific Region. Improved information on stocks and salmon survival could further lead to better results and outcomes for the Program.

Funding and Operational Flexibility

It was felt that budget constraints had limited SEP's ability to innovate and adapt to a changing environment. The funding allocation based on a 30 year old model had not offered sufficient financial flexibility in allowing the SEP to fund the program according to its most effective objectives.

Resources have also declined over the period of the Program. Reductions approximating 39% of the budget occurred between 1990 and 1996. Since then, smaller budget reductions have taken place until the budget was stabilized in 2006 at \$26 million per year (see Graph 2). It should be noted that these reductions have been aggravated by the fact that the SEP budget has not been indexed to the rate of inflation.

SEP Budget (1990-2008)



Graph 2: SEP budget.

The Program as designed placed a significant emphasis on hatchery production and as such, a significant portion of the SEP budget is permanently dedicated to maintaining and operating major facilities. This has meant that an increasing amount of funds are required to support and maintain aging facilities; funds which could have been used to fund other program objectives and activities. Operating hatcheries requires knowledge for a unique

type of infrastructure and such specialized skills cannot be readily found in the labour market.

The aging infrastructure requiring greater investment to maintain was also seen as having an affect on the Program's capacity to meet other objectives. New technologies required to support evolving objectives are not being adopted as quickly as required, as limited funds are being used to support SEP facilities.

The second reason the SEP lacks funding flexibility is the result of an unexpected outcome of the public education efforts of the program. Both DFO staff and stakeholders explained that the SEP, through its education, outreach and awareness efforts, has built up significant empathy within the general population to "save the Pacific salmon". This empathy however produces much public pressure in terms of lobbying to stop the closures or reform of facilities or other projects whenever DFO tries to re-orient the program. Some key informants suggested that a more effective communication strategy would be useful to remedy this situation.

Human Resources

The human resource challenges facing SEP require attention if the program objectives are to be met. A significant number of the SEP staff is nearing retirement and effort is required to ensure the transmission of corporate knowledge to new and existing staff. Much knowledge and expertise, vital to the Program's success, is currently held by scientific, technical and community advisory employees. Development and implementation of succession and mentoring plans within SEP would move towards ensuring that no program capacity is lost. Further, the need to fill vacant positions, as soon as possible, was raised by key informants.

Value Added

SEP's contribution to Salmon Enhancement for Commercial and Recreational Fisheries was recognized and tied to DFO objectives. Key informants also felt that the SEP was providing value by contributing to the "public good", environmental integrity and sustainable development. This was highlighted by the level of public support the Program receives across British Columbia. As a result of SEP activities in Public Awareness, Education and Outreach, Pacific salmon has become an almost iconic species and closely identified to the cultural identity of the province. Informants also suggest that the SEP program had instilled deeper values such as environmental awareness for which it was not possible to place a dollar value. Further, indications were that SEP contributes to establishing a positive image of DFO in the Pacific region.

4 FINDINGS: COMPONENT B

Key Finding: The SEP's exceptional contracting limit remains an appropriate and effective funding mechanism for delivering the Program in terms of salmon production to maintain harvest opportunities, maintaining community relations and ensuring stewardship and accountability.

The SEP undertakes a number of its activities, primarily for Community Economic Development Program projects (close to \$4M per year), through sole-source contracts. In 1997, the Treasury Board granted to DFO the authority to enter into non-competitive contracts connected with the SEP, up to a maximum value of \$1,000,000. This authority was extended for a further two years in 2007. Further submissions to TB for renewal of the exceptional limit required that an audit and evaluation of the SEP be completed. Moreover, the evaluation had to assess whether Grants and Contributions were a more appropriate and effective delivery mechanism.

Although the exceptional contracting limits authority was only granted in 1997, it should be noted that contracts have been used to fund CEDP's activities since the Program's inception in 1977. Prior to 1997, contracts were administered by the Department of Supply and Services Canada. Contracts were also used as a mechanism to reach out to First Nation communities; foster a positive relationship between DFO and Aboriginal peoples in British Columbia as well as strengthen the economic well-being of these often economically disadvantaged communities.

The present evaluation reviewed the current use of sole-source contracting, its rationale, and justification for use, and assessed whether this remained an effective and appropriate delivery mechanism for the delivery of SEP activities. The evaluation further examined the viability of employing grants and contributions as a primary funding mechanism for delivering SEP activities.

Current Use of Sole-Source Contracting Authority

At its inception, one of the underlying intentions of the SEP program was to support communities and develop partnerships particularly with First Nations (FN) organizations through the Community Economic Development Program (CEDP) component. At the time, government priorities were focused on providing economic support to business and/or community organizations in economically disadvantaged areas and regions of Canada. SEP was in a position to provide this and, as a result, received funding from the then Department of Regional Industrial Expansion (now Industry Canada).

Initially, the SEP required installation and operation of hatcheries and supporting infrastructure. The findings of a bio-renaissance survey determined that many of the best locations for hatcheries were in remote areas of British Columbia and on FN land.

DFO/SEP was challenged by the social and economic realities of these communities and faced difficulty in recruiting sufficient staff to support operations in these remote or isolated areas. Since the SEP was mandated to directly provide salmon enhancement (i.e., hatchery operations), service contracts were issued with FN's and other communities to undertake these duties to assist the SEP in fulfilling its program responsibilities. Further, the use of contracts was the most appropriate way, as it would not have been realistic or feasible to establish business operations on FN land. The delivery of these services were best delivered through sole-source contracts which allowed the SEP direct involvement in how facilities were run and ensured that Crown, stakeholder and Canadian interests were protected.

Contracts were also seen as a more adaptable, expedient and a secure funding approach ensuring uninterrupted salmon production. Grants and contributions would not have provided the same level of secure and regular funding as did contracts. The Grants and Contributions were also seen as designed for social needs rather than operational needs. Other than the SEP, there were found to be 54 other exceptional contracting limits (including four others in DFO) in place for Federal departments and agencies under the TB Contracting Policy.

Although SEP's priorities have been adjusted from the original fish production mandate to a more conservation oriented one, a CEDP Review conducted in 2005 by the Pacific Region demonstrated that most of the activities⁴, in terms of cost and time of a CEDP project, were to support SEP's operations and/or DFO's needs for stock assessment. Approximately 70% - 80% of CEDP funding is spent on CEDP hatcheries for fish production and related activities as a means to sustain harvest opportunities.

Non-Viability of Grants and Contributions as Funding Mechanism

An examination was undertaken to determine whether Grants and Contributions would be a viable alternate mechanism for program delivery.

The current use of contracts offers the SEP a formal means of control and oversight between the client and the contractor. Built within contracts is an audit control framework whereby a program area must seek approval from a 3rd party within the department, usually finance, prior to approving a payment to a contractor. Under G&Cs, accountability for payments is left solely with the program manager and there is less incentive to withhold payment. In the case of CEDP facilities, contracts are a more effective tool for managing day to day operations, as they specify that the contractor is responsible for ensuring they meet specified production targets and dates; meet and maintain standards (e.g., adhering to SEP's bio-standards, labour standards such as health and safety training for staff). Other requirements which may be controlled through contracting are the use of appropriate fish foods, raising the right fish types, data collection, reporting requirements, and carrying insurance. Many seasoned SEP staff

⁴ The CEDP Review was conducted in 2005 by the Pacific Region, p. 12.

were of the opinion that a number of CEDP's necessitated this type of guidance as there were often both administrative and technical deficiencies to be addressed.

Contracts are also seen as offering various levels of legal protection to secure and protect the interests of the Crown and of Canadians by requiring the contractor to carry insurance, establishing formal and informal dispute resolution mechanisms and, if required, allowing for legal action to be taken should damages or losses occur, should the facility be mismanaged or equipment destroyed, and should injury or loss occur. Grants and contributions do not offer DFO/SEP the leverage nor the level of recourse to ensure the recipient adhering to these types of conditions, and nor should they, since they are based on developing more socially based aspects such as community capacity building rather than providing a core service such as hatcheries.

There may be perceived or actual politically and legally sensitive issues surrounding the use of sole-source contracts particularly in those areas where the SEP hatcheries are located on First Nation land or on leased land from third parties such as a Provincial Agency (e.g. BC Hydro), a municipal government or private company. Contribution agreements could also result in a steady turnover of different organizations operating a SEP facility on non-Crown land. In this case, the Government of Canada would have to regularly negotiate changes to long-term lease agreements and obtain landowners' approval for a new organization to operate on their land. This situation could potentially increase time, administration costs and legal costs, and disrupt the hatchery's operations thus affecting its ability to efficiently and effectively rebuild salmon stock and address other stated objectives. While these risks could materialize with the use of sole-source contracts, SEP through 30 years of experience has minimized this risk by developing a contracting process that ensures it matches and takes into consideration the sensitive salmon lifecycle and to ensure a more sustainable approach to fish production by rebuilding vulnerable salmon populations for sustaining harvest opportunities. For example, hatchery operations are very sensitive with respect to timing and therefore any break in operations could result in the loss of one, or several years of production.

The existing sole source contracting mechanism, A-base funding for 10 year periods, provides SEP with the stability to ensure continuous operation of which uses CEDP hatcheries and facilities. Changes to allotted amounts for contribution agreements may be required for B-based grants and contributions funds, which provide less stability as they require short-term renewals with fewer assurances that the funding will be renewed or maintained at the same minimum levels. The contracting mechanism allows the program to reallocate funds from one project to another as needed. This flexibility ensures that there is an optimization of resources within the CEDP program component.

5 RECOMMENDATIONS

COMPONENT A

1. The human resource challenges facing SEP require attention if the program objectives are to be met. A significant number of the SEP staff is nearing retirement and effort is required to ensure the transmission of vital corporate knowledge to new and existing staff. Development and implementation of a succession and mentoring plan within SEP would move towards ensuring that no program capacity is lost.

It is recommended that a succession and mentoring plan be developed and implemented. This plan should include steps to ensure the transmission of vital corporate knowledge to new and existing staff particularly community advisors and scientific and technical staff.

2. The SEP undertook a 5 year revitalization process beginning in 2008 to redesign, modernize and improve the Program's capability to deliver services. The SEP is presently undertaking the development of a logic model and performance measurement strategy to measure its success in achieving outcomes. This process will be beneficial to the program in helping better define what activities are under the SEP and those which fall under other DFO Sectors. The SEP currently reports results through Fisheries and Aquaculture Management Sector; however, habitat restoration activities also contribute to Oceans, Habitat and Species at Risk Sector (OHSAR) objectives yet are not reported to OHSAR at NHQ.

It is recommended that the SEP finalize its logic model and performance measurement strategy with relevant and realistic performance indicators for all levels of outputs and outcomes (immediate, intermediate and long-term) to reflect the program's results chain. The Strategy should include a mechanism to ensure that results are reported to Fisheries and Aquaculture (fish production) and Oceans, Habitat and Species at Risk Sector (habitat restoration) at NHQ.

3. SEP has over the years, particularly in the 90's, obtained technical assessments to rationalize the closing of non-performing facilities without major success. These studies employed mixed methods of cost-benefit analysis and sound biological efficiency criteria to identify facilities for closure. However, SEP has rarely been able to take the appropriate action due to the overwhelming pressure from stakeholders and the public to keep the facilities operational. The pressure has increased as a result of the almost iconic status of Pacific Salmon in British Columbia.

These facilities are the major consumers of the SEP budget and the Program's inability to undertake the closure of non-performing facilities has forced it to continually shave its budget across all other activities. The SEP has recently

undertaken a study to review its aging facilities and determine the costs to refurbish this infrastructure.

It is recommended that the SEP undertake an assessment of the facilities, factoring in the Program implications of the Pacific Salmon Treaty and the Wild Salmon Policy as well as the estimated cost to refurbish the facilities.

COMPONENT B

4. The evaluation concluded that the sole-source contracting authority remains an appropriate funding mechanism to deliver SEP's core fish production services at its facilities. It allows the Program to deliver more effectively on its core objectives while developing and maintaining its relationships with remote and First Nations Communities.

It is recommended that the SEP continue to utilize the sole-source contracting mechanism to undertake its program activities and seek renewal of the exceptional limit to sole source contracting authority.

6 MANAGEMENT ACTION PLAN

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	STATUS REPORT UPDATE		
		ACTIONS COMPLETED	ACTIONS OUTSTANDING	TARGET DATE
<p>1. It is recommended that a succession and mentoring plan be developed and implemented. This plan should include steps to ensure the transmission of vital corporate knowledge to new and existing staff particularly community advisors and scientific and technical staff.</p>	<p>The region will develop a succession plan for critical positions in SEP in conjunction with the broader Oceans, Habitat, and Enhancement Branch (OHEB) Human Resource Strategy.</p>	<p>OHEB Human Resource Strategy and Action Plan (completed March 2009)</p>	<p>Implement SEP components of the OHEB HR Strategy Action Plan</p>	<p>On-going, see comments below</p>
	<p>The SEP program will undertake an area-based organizational review that will form the basis for a SEP succession plan.</p>	<p>The SEP program has established and staffed a temporary position to lead the area-based org review</p>	<p>Complete Area-Based Organizational Review</p>	<p>June 30, 2010</p>
	<p>Develop a knowledge capture pilot for the SEP program linked to a broader OHEB knowledge capture initiative</p>	<p>SEP has commenced (August, 2009) a pilot knowledge capture initiative that will position the program to capture valuable knowledge prior to staff leaving</p>	<p>Complete pilot knowledge capture initiative and work with OHEB Managers to develop a branch knowledge transfer initiative</p>	<p>December 31, 2010</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	STATUS REPORT UPDATE		
		ACTIONS COMPLETED	ACTIONS OUTSTANDING	TARGET DATE
		the department. The initiative will inform the development of an OHEB knowledge transfer and mentoring program.		
<p>2. It is recommended that the SEP finalize its logic model and performance measurement strategy with relevant and realistic performance indicators for all levels of outputs and outcomes (immediate, intermediate and long-term) to reflect the program's results chain. The Strategy should include a mechanism to ensure that results are reported to Fisheries and Aquaculture (fish production) and Oceans, Habitat and Species at Risk Sector (habitat restoration) at NHQ.</p>	Seek final approval for the SEP logic model from Pacific Region RMC	Received support from SDC for current draft of logic model (August, 2009)	Finalize logic model and seek RMC approval	October 13, 2009
	Develop performance indicators in support of the program logic model	Draft performance indicators completed (May 2009)	Finalize draft performance indicators and Performance Measurement Framework	March 31, 2010
	Modify and improve the reporting through the annual DPR process with both FAM and OHSAR		Work with NHQ FAM sector to update DPR reporting formats for SEP	September, 2009
			Introduce a mechanism for reporting habitat	March 31, 2010

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	STATUS REPORT UPDATE		
		ACTIONS COMPLETED	ACTIONS OUTSTANDING	TARGET DATE
			restoration results in the annual OHSAR DPR reporting process	
<p>3. It is recommended that the SEP undertake an assessment of the facilities, factoring in the Program implications of the Pacific Salmon Treaty and the Wild Salmon Policy as well as the estimated cost to refurbish the facilities.</p>	<p>Work with areas and other sectors to develop a strategic infrastructure renewal strategy that recognizes, current, emerging and future SEP priorities and is linked to regional priorities.</p> <p>Based on the strategic infrastructure plan, the region will develop a prioritized list of facility refurbishments that will be linked to a Pacific Region infrastructure renewal strategy.</p>	<p>Preliminary facility review and area consultations completed (July, 2009). Preliminary discussions undertaken with DOJ re: CEDP tenures</p>	<p>Complete working draft of SEP infrastructure renewal strategy</p>	<p>March 31, 2010</p>
		<p>Provided interim recommendations on SEP priorities to RPTS (July, 2009) in preparation for National Capital Planning process meetings to be held in Sept. 2009</p>	<p>Develop recommendations to RPTS on strategic funding strategy for the 2010-2011 planning cycle</p>	<p>July, 2010</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	STATUS REPORT UPDATE		
		ACTIONS COMPLETED	ACTIONS OUTSTANDING	TARGET DATE
4. It is recommended that the SEP continue to utilize the sole-source contracting mechanism to undertake its program activities and seek renewal of the exceptional limit to sole source contracting authority.	Develop new Treasury Board request for special Ministerial Authority re: sole-sourcing.	Working group has been established and has developed first draft of TB submission (July, 2009)	Finalize TB submission and submit for approval	January, 2010