

## CANADA

Only federal programs, where information on fisheries exists, are reported.

- Data on provincial programs are not readily available. The provincial assistance is relatively small compared to federal programs.

Expenditures are reported on a fiscal year basis, e.g. FY 2000-01 covers April 2000 to March 2001.

- The reporting period 2000-2003 thus covers FY 2000-01, FY 2001-02 and FY 2002-03.

Numbers of program recipients are reported only when information is readily available.

## Federal Fisheries Transfers Programmes 2000-2003

<p><i>1. Title of program: The Atlantic Groundfish Licence Retirement Program</i></p>
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**Objectives of the program:** The program was administered by the Department of Fisheries and Oceans (DFO). The objective was to put harvesting capacity in balance with resource availability and to ensure the long-term sustainability of the fishing sector on the Atlantic coast.

**Forms of support:** Assistance was provided in the form of non-repayable contributions to purchase groundfish licenses.

**Category of transfer:** Payments for licence retirement.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Inshore groundfish (vessels < 65 ft.). Majority under rights-based systems.

**Description/Rules and conditions:** All eligible Atlantic groundfish licence holders were invited to submit retirement proposals, which were reviewed by an independent body in their respective provinces. The licence retirement program was conducted through a reverse auction bidding process, in which the preference was given to the lowest ratio of bid amounts to landings. In return for payments, the successful recipients were required to permanently exit the fishery by surrendering not only their groundfish licences, but also all other species licences, as well as their personal fishing registration.

**Budget and expenditure:** The program expenditures totaled CAD 25 458 526 in FY 2000-01 and CAD 22 302 698 in FY 2001-02.

**Duration:** The program was established in 1998 as part of the Canadian Fisheries Adjustment and Restructuring (CFAR) regime, and terminated in 2001. Consequently, no new applications have been considered since that time.

**Number of recipients:** CFAR removed a total of 2 332 groundfish licences since its inception.

**Remarks:** In addition, there were 876 and 478 groundfish licences removed under NCARP and TAGS respectively. On the Pacific coast, 797 and 1 409 salmon licences were removed under PSRS and CFAR respectively.

## ***2. Title of program: Northern Cod Early Retirement Program***

**Objectives of the program:** The program is administered by DFO. The objective is to assist fisheries workers to cope with the closure of the northern cod fishery and to reduce dependency on fisheries.

**Forms of support:** Assistance is provided as income support, mainly in the form of annuity payments.

**Category of transfer:** Retirement payments for fisheries workers.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Northern cod fishery. Majority under rights-based systems.

**Description/Rules and conditions:** Fishers, plant workers and trawlermen between 55 and 64 years old were eligible for the program, which was meant to bridge the time between retirement and age 65 when the person would be eligible for Canada Pension Plan and/or Old Age Security. Fishers who opted for early retirement were required to surrender their groundfish licence, personal fishing registration and any other fishing licence in accordance with conditions set by DFO.

**Budget and expenditure:** The program expenditures totalled CAD 3 891 743 in FY 2000-01, CAD 2 384 740 in FY 2001-02 and CAD 707 065 in FY 2002-2003.

**Duration:** The program was established in 1992 as part of the Northern Cod Adjustment and Recovery Program (NCARP), and terminated in 1994. Consequently, no new applications have been considered since that time. Expenditures during fiscal years 2000-01, 2001-02 and 2002-2003 consisted of annuity payments to beneficiaries approved prior to the 1994 termination of this program.

**Number of recipients:** 677 fishers and 759 plant workers and trawlermen.

**Remarks:** Expenditures between the harvesting and processing sectors are apportioned based on the numbers of recipients in the harvesting and processing sectors respectively.

### **3. Title of program: Atlantic Fishers Early Retirement Program**

**Objectives of the program:** The program is administered by DFO. The objective is to assist fisheries workers to cope with the Atlantic groundfish crisis and to reduce dependency on fisheries.

**Forms of support:** Assistance is provided as income support, mainly in the form of annuity payments.

**Category of transfer:** Retirement payments for fishers.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Inshore groundfish (vessels < 65 ft.). Majority under rights-based systems.

**Description/Rules and conditions:** Fishers between 55 and 64 years old were eligible for the program, which was meant to bridge the time between retirement and age 65 when the person would be eligible for Canada Pension Plan and/or Old Age Security. Fishers who opted for early retirement were required to surrender their groundfish licence, personal fishing registration and any other fishing licence in accordance with conditions set by DFO.

**Budget and expenditure:** The program expenditures totalled CAD 2 042 112 in FY 2000-01, CAD 1 842 491 in FY 2001-02 and CAD 1 590 386 in FY 2002-2003.

**Duration:** The program was established in 1994 as part of The Atlantic Groundfish Strategy (TAGS) regime, and terminated in 1998. Consequently, no new applications have been considered since that time. Expenditures during fiscal years 2000-01, 2001-02 and 2002-2003 consisted of annuity payments to beneficiaries approved prior to the 1998 termination of this program.

**Number of recipients:** 333 fishers.

**Remarks:** An additional 759 fishers were retired through the CFAR early retirement program.

<p><b>4. Title of program: Pacific Fisheries Development Program</b></p>
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**Objectives of the program:** The program was administered by DFO. The objective was to support fisheries diversification in the Pacific fisheries.

**Forms of support:** Assistance was provided in the form of non-repayable contributions to support the program.

**Category of transfer:** Funding for promotion and development of fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Commercial fisheries for underutilized species and aquaculture for non-salmon species.

**Description/Rules and conditions:** The program provided for the development of commercial fisheries for underutilized species, value-added handling and processing techniques, marketing and aquaculture research for non-salmon species, in consultation with the Province of British Columbia, First Nations and other partners.

**Budget and expenditure:** The program expenditures totalled CAD 412 302 in FY 2000-01 and CAD 114 020 in FY 2001-02.

**Duration:** The program was established in 1998 as part of the Canadian Fisheries Adjustment and Restructuring (CFAR) regime, and terminated in 2001. Consequently, no new applications have been considered since that time.

**Number of recipients:** Qualified proposals from commercial harvesters, communities and First Nations.

**Remarks:** Currently reported under adjustment transfers.

**5. Title of program: Pacific Selective Fishing Program**

**Objectives of the program:** The program was administered by DFO. The objective was to accelerate development of selective fishing in the Pacific salmon fisheries.

**Forms of support:** Assistance was provided in the form of non-repayable contributions to support the program.

**Category of transfer:** Funding for the development of selective fishing techniques.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Pacific salmon fisheries. Management through gear and area licensing, licence stacking as well as in-season management based on escapement targets.

**Description/Rules and conditions:** The program provided for the development of selective fishing gear and methods for First Nations, recreational anglers and commercial harvesters. Funding was available on a competitive basis, and up to 5% of the total available commercial catch was also set aside for qualified commercial harvesters to test selective fisheries techniques and alternative gears.

**Budget and expenditure:** The program expenditures totalled CAD 1 530 314 in FY 2000-01 and CAD 655 200 in FY 2001-02.

**Duration:** The program was established in 1998 as part of the Canadian Fisheries Adjustment and Restructuring (CFAR) regime, and terminated in 2001. Consequently, no new applications have been considered since that time.

**Number of recipients:** Qualified proposals from commercial and recreational harvesters and First Nations.

**Remarks:** Currently reported under adjustment transfers. Although the program was terminated, DFO will integrate the findings of the experimental pilot projects into the Integrated Fisheries Management Plans and individual harvest plans. The cost of continued research, development, catch monitoring, gear modifications, training and awareness will become the responsibility of harvesters. DFO is committed to pursuing selective fishing initiatives for all fisheries. The Department will explore options on how to proceed with commercial harvester organizations, including the provision of 5% of the total available commercial catch for selective fisheries research and development.

**6. Title of program: Aboriginal Fisheries Strategy Allocation Transfer Program (ATP)**

**Objectives of the program:** Following the *Sparrow* decision by the Supreme Court of Canada in 1990, DFO launched the Aboriginal Fisheries Strategy (AFS) in 1992, the objective of which was to provide a framework for regulation of aboriginal peoples' right to fish for food, social and ceremonial purposes and to contribute to the economic self-sufficiency of aboriginal communities. The objective of ATP is to assist aboriginal communities to obtain access to commercial fisheries and/or other economic development opportunities.

**Forms of support:** Assistance is provided in the form of non-repayable contributions to facilitate the voluntary retirement of commercial licences.

**Category of transfer:** Funding for the development of aboriginal commercial fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Eligible aboriginal commercial fisheries.

**Description/Rules and conditions:** The Allocation Transfer Program (ATP) introduced in 1994 facilitates the voluntary retirement of commercial licences and the issuance of licences to eligible aboriginal groups in a manner that does not add to the existing effort on the resources.

**Budget and expenditure:** The program expenditures totalled CAD 14 653 428 in FY 2000-01, CAD 13 688 049 in FY 2001-02 and CAD 10 879 239 in FY 2002-03.

**Duration:** The program was established in 1994.

**Number of recipients:** Qualified aboriginal groups.

**Remarks:** Currently reported under cost reducing transfers.

<p style="text-align: center;"><b>7. Title of program: Fisheries Access Program</b></p>
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**Objectives of the program:** In 1999, the Supreme Court of Canada handed down the *Marshall* decision that affirmed treaty rights of Mi'kmaq and Maliseet people to fish, hunt, and gather in pursuit of a "moderate livelihood". DFO put in place a response called the *Marshall Response Initiative*, the objective of which is to increase commercial fishing opportunities available to eligible aboriginal groups.

**Forms of support:** Assistance is provided in the form of non-repayable contributions to facilitate the voluntary retirement of commercial licences, vessels and gear, constructing new vessels and gear and providing training and other skill development activities.

**Category of transfer:** Funding for the development of aboriginal commercial fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Eligible aboriginal commercial fisheries.

**Description/Rules and conditions:** The Fisheries Access Programme (FAP) was established to facilitate the voluntary retirement of commercial licences and the issuance of licences to eligible aboriginal groups in a manner that does not add to the existing effort on resources.

**Budget and expenditure:** The programme expenditures totalled CAD 74 085 410 in FY 2000-01, CAD 86 756 110 in FY 2001-02 and CAD 68 339 739 in FY 2002-03.

**Duration:** The program was established in 1999.

**Number of recipients:** Qualified aboriginal groups.

**Remarks:** Currently reported under cost reducing transfers.



**8. Title of program: Fisheries Research**

**Objectives of the program:** As part of DFO's core mandate, the objective of the program is to provide scientific basis for managing the fishery resource for its sustainable utilization.

**Forms of support:** DFO internal salary, O&M and capital expenditures.

**Category of transfer:** Research expenditures.

**Cost recovery or offsetting charges:** Industry contributions to research through various co-management or partnering arrangements represent about 10% (in CAD or in kind) of the total research costs.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** Fisheries Research provides the scientific basis for establishing fishing quotas and other management measures for both marine and freshwater fisheries, and for aquaculture development and enhancement of natural stocks. Research in the fields of fisheries stock assessment, species biology, and species interdependence is carried out to acquire the knowledge needed for managing fisheries resource for its sustainable utilization.

**Budget and expenditure:** The program expenditures totalled CAD 84 882 533 in FY 2000-01, CAD 102 334 379 in FY 2001-02 and CAD 116 304 530 in FY 2002-03. Aquaculture research expenditures amounted to CAD 11 468 826 in FY 2000-01, CAD 12 662 323 in FY 2001-02 and CAD 14 466 159 in FY 2002-03.

**Duration:** Ongoing.

**Number of recipients:** Fishing industry and Canadian public.

## ***9. Title of program: Fisheries Management***

**Objectives of the program:** As part of DFO's core mandate, the objective of the program is to ensure sustainable utilization of fishery resource, in partnership with stakeholders.

**Forms of support:** DFO internal salary, O&M and capital expenditures.

**Category of transfer:** Management expenditures.

**Cost recovery or offsetting charges:** DFO has been charging fishing industry for issuance of licences, permits and other privileges. Receipts from issuance of licences, leases and fishers and vessel registrations totalled CAD 46 089 145 in FY 2000-01, CAD 47 318 103 in FY 2001-02 and CAD 46 978 955 in FY 2002-03.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The program involves the development of fishery management plans, policies and programs, regulating access to and participation in the fishery through licensing, sustainable development of aquaculture, implementation of the Aboriginal Fisheries Strategy and participation in land claims negotiations, and advancing Canada's international interests in resource conservation. It also carries out resource development projects such as the Salmon Enhancement Program.

**Budget and expenditure:** The program expenditures totalled CAD 98 195 766 in FY 2000-01, CAD 103 141 905 in FY 2001-02 and CAD 98 579 219 in FY 2002-03. (Expenditures on sustainable aquaculture development amounted to CAD 2 675 510 in FY 2000-01, CAD 2 733 330 in FY 2001-02 and CAD 2 862 710 in FY 2002-03.)

**Duration:** Ongoing.

**Number of recipients:** Fishing industry and Canadian public.

## ***10. Title of program: Fisheries Enforcement***

**Objectives of the program:** As part of DFO's core mandate, the objective of the program is to ensure compliance with Canadian fisheries legislation to conserve and protect the fishery resource for the benefit of Canadians.

**Forms of support:** DFO internal salary, O&M and capital expenditures.

**Category of transfer:** Enforcement expenditures.

**Cost recovery or offsetting charges:** Dockside monitoring costs are entirely paid by the fishing industry. At-sea observer costs are shared by the DFO and the fishing industry. Industry's share of at-sea observer costs is approximately in the range of CAD 5 million depending on the level of coverage in any given year. Under some co-management agreements, industry also shares the costs for increased Fisheries Officers' hours and increased patrol vessel and air surveillance time to meet the additional enforcement needs identified by the industry in consultation with DFO.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The program involves the enforcement of Canadian fisheries legislation, as well as management measures through aerial surveillance, vessel patrols, deployment of observers on fishing vessels and the activities of fishery officers stationed in fishing communities across Canada.

**Budget and expenditure:** The program expenditures totalled CAD 84 877 067 in FY 2000-01, CAD 87 620 759 in FY 2001-02 and CAD 85 708 837 in FY 2002-03.

**Duration:** Ongoing.

**Number of recipients:** Fishing industry and Canadian public.

## ***11. Title of program: Small Craft Harbours***

**Objectives of the program:** As part of DFO's core mandate, the objective of the program is the maintenance of safe harbours that meet present and future needs of fishing industry and other small craft users.

**Forms of support:** DFO internal salary, O&M and capital expenditures.

**Category of transfer:** Infrastructure expenditures.

**Cost recovery or offsetting charges:** For harbours managed by DFO, user fees are set by regulations while free berthage is provided to small commercial fishing vessels (< 13.5 m) in Atlantic Canada and all commercial fishing vessels in Prairie provinces and NWT. Receipts from various uses of small harbour facilities totalled CAD 1 931 609 in FY 2000-01, CAD 1 806 858 in FY 2001-02 and CAD 1 699 184 in FY 2002-03.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The Small Craft Harbours (SCH) Program is responsible for the administration and maintenance of commercial fishing harbours and recreational harbours under the Fishing and Recreational Harbours Act. The Program is currently in a transition stage. To improve the operation and safety of federal harbour infrastructure support to the fishing industry, responsibility for day-to-day management and operations of harbours critical to the industry is being transferred to local, client-run Harbour Authorities (HA). At the same time, DFO is proceeding on the divestiture of recreational harbours and derelict or inactive fishing harbours out of the federal inventory.

**Budget and expenditure:** The program expenditures totalled CAD 87 963 290 in FY 2000-01, CAD 77 160 813 in FY 2001-02 and CAD 91 361 777 in FY 2002-03.

**Duration:** Ongoing since 1973.

**Number of recipients:** Fishing industry and recreational boaters.

**12. Title of program: Small Craft Harbours Contributions**

**Objectives of the program:** The program was administered by DFO. The objective is to support management of commercial fishing harbours and divestiture of inactive and recreational harbours.

**Forms of support:** Assistance is provided in the form of non-repayable contributions to local communities or HAs.

**Category of transfer:** Infrastructure expenditures.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The SCH Program provides contributions to support local HAs in the management of federally owned fishing harbours while encouraging HAs to develop alternative sources of revenue. It also provides special disposal funding to divest recreational harbours, allowing local communities to assume full control of their own facilities.

**Budget and expenditure:** The program expenditures totalled CAD 1 032 139 in FY 2000-01, CAD 5 312 436 in FY 2001-02 and CAD 1 482 627 in FY 2002-03.

**Duration:** Ongoing since 1973.

**Number of recipients:** Local communities or HAs.

**Remarks:** Currently reported under cost reducing transfers.

<p><i>13. Title of program: Other Fisheries Management Contributions</i></p>
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**Objectives of the program:** The program is administered by DFO. The objective is to support fisheries and aquaculture management activities in Canada.

**Forms of support:** Assistance is provided in the form of non-repayable contributions to non-profit organizations (NPO).

**Category of transfer:** Funding for NPOs to support fisheries and aquaculture management activities.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** DFO has been funding non-profit organizations for undertaking various fisheries enhancement, and sustainable fisheries and aquaculture development projects.

**Budget and expenditure:** The program expenditures totaled CAD 384 931 in FY 2000-01, CAD 556 862 in FY 2001-02 and CAD 429 818 in FY 2002-03 for fisheries projects, and CAD 1 463 200 in FY 2000-01, CAD 815 330 in FY 2001-02 and CAD 122 320 in FY 2002-03 for aquaculture projects.

**Duration:** Ongoing.

**Number of recipients:** Qualified NPOs.

**Remarks:** Currently reported under cost reducing transfers. Fisheries contributions only include those individually identified in the Public Accounts.

**14. Title of program: *Innovation, Entrepreneurship Enhancement and Exports Programme for small and medium-sized enterprises (IDÉE-PME)***

**Objectives of the program:** The program is administered by Canada Economic Development for Quebec Regions (CED). The objective is to facilitate and improve the development of small and medium-sized enterprises (SME) in every region of Quebec. It also aims to help these enterprises become more competitive internationally.

**Forms of support:** The assistance is provided in the form of repayable or non-repayable contributions. Since January 1996, the assistance provided is generally repayable; only contributions to not-for-profit organizations are non-repayable.

**Category of transfer:** Cost reducing transfers for regional economic development.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The programme provides financial aid to Quebec SMEs for activities in priority areas – innovation, research and development, productivity, e-business, export market development, entrepreneurship, and business climate. Financial assistance can also be granted to bodies providing support to SMEs wishing to undertake activities in these priority areas.

**Budget and expenditure:** The fisheries related expenditures totalled CAD 8 853 in FY 2000-01, CAD 142 354 in FY 2001-02 and CAD 78 538 in FY 2002-03.

**Duration:** Ongoing since 1995.

**Number of recipients:** Fishing industry, among other eligible sectors.

**15. Title of program: Regional Strategic Initiatives (IRS)**

**Objectives of the program:** The program is administered by CED. The objective is to promote a climate favourable to investment, carry out major initiatives and create quality jobs by responding to a problem specific to one or several regions of Quebec.

**Forms of support:** The financial assistance for eligible projects will be in the form of a repayable contribution. Contributions made to NPOs are generally not repayable.

**Category of transfer:** Cost reducing transfers for regional economic development.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The program provides funding for projects in areas of regional priorities for economic development, as identified through broad consultation with local stakeholders. Main priority areas include technological development, tourism, and export development. Financial assistance can be provided to SMEs and their organizations as well as NPOs with an economic mission.

**Budget and expenditure:** The fisheries related expenditures were nil in FY 2000-01, CAD 37 488 in FY 2001-02 and CAD 13 371 in FY 2002-03.

**Duration:** Ongoing since 1999.

**Number of recipients:** Fishing industry, among other eligible sectors.



**16. Title of program: Special Economic Development and Adjustment Fund for Quebec Fishing Communities (FSQC)**

**Objectives of the program:** The program is administered by CED. The objective is to speed up the adjustment and long-term economic development of the fishing communities most affected by the decline of groundfish stocks.

**Forms of support:** Assistance is provided in the form of repayable or non-repayable contributions.

**Category of transfer:** Funding for adjustment and economic diversification within and outside fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Inshore groundfish (vessels < 65 ft.). Under a combination of competitive and rights-based systems.

**Description/Rules and conditions:** The programme provides support for SME investment projects or studies and for the organization of various business activities by NPOs pursuing economic development objectives. The territorial area covered by the programme is confined to certain *Côte-Nord* (North Coast) municipalities, the *Gaspésie* and *Île-de-la-Madeleine* administrative region, and fishing communities adjoining the Gaspésie affected by fisheries restructuring.

**Budget and expenditure:** The program expenditures totalled CAD 2 697 310 in FY 2000-01, CAD 2 936 437 in FY 2001-02 and CAD 2 059 881 in FY 2002-03.

**Duration:** The programme entered into force in 1995 as part of TAGS. No commitment of funding for new projects has been made after March 31, 2000.

**Number of recipients:** Qualified SME or NPOs.

**Remarks:** The program ended on March 31, 2003. All final payments have been completed before March 31, 2004.

**17. Title of program: Atlantic Canada Opportunities Agency (ACOA) Regional Economic Development Assistance**

**Objectives of the program:** The program is administered by ACOA. The objective is to provide greater access to capital and information for small and medium-sized enterprises, and to provide assistance to local communities to take increased responsibility for their own economic development.

**Forms of support:** Assistance is provided in the form of grants, non-repayable and repayable contributions, and loans. Contributions made to NPOs are generally not repayable.

**Category of transfer:** Cost reducing transfers for regional economic development.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The program consists of various components, which provide assistance to eligible projects from the fishery sector as well as other economic sectors. Strategic investments to improve the environment for regional economic growth are made possible through economic development agreements with the provinces. Most of the fisheries projects were aimed at general resource enhancement and development, demonstration projects, training, productivity improvement, and increasing energy efficiency. More recently, federal assistance has been focused on aquaculture development and conversion of processing facilities for non-traditional species or value-added products. The current policy on primary fish processing discourages the federal government from financially assisting private investment that will augment primary processing capabilities. Contributions are normally between 50% and 75% of eligible project costs. SME loans provided through Community Futures Business Corporations can be up to CAD 75 000 on commercial terms.

**Budget and expenditure:** The program expenditures totalled CAD 12 888 932 in FY 2000-01, CAD 7 103 782 in FY 2001-02 and CAD 8 205 402 in FY 2002-03.

**Duration:** Ongoing since 1987.

**Number of recipients:** Fishing industry, among other eligible sectors.

**18. Title of program: ACOA Fisheries Alternative Program (FAP)**

**Objectives of the program:** The program was administered by ACOA. The objective was to provide financial assistance to projects or activities which lead to the long-term diversification of affected fishery-dependent communities and to employment for workers displaced by the depletion of ground-fish stocks.

**Forms of support:** Assistance was provided in the form of grants and contributions toward eligible costs, loan insurance and interest buy-downs.

**Category of transfer:** Funding for adjustment and economic diversification within and outside fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** This programme offered an enhanced level of assistance over what may have been available under existing programmes to eligible projects or activities. Eligible activities included the establishment of new businesses, expansion or modernization of existing ones, development of new products or services, and the development of business infrastructure to achieve economic diversification or economic expansion in affected fishery-dependent areas of Atlantic Canada. The maximum contribution per project was 65%.

**Budget and expenditure:** The program expenditures totaled CAD 22 000 in FY 2000-01 and CAD 27 000 in FY 2001-02. No payment is expected after 2002.

**Duration:** The programme was created in 1990 as part of the Atlantic Fisheries Adjustment Program (AFAP), and terminated in 1995. Expenditures during fiscal years 2000-01 and 2001-02 consisted of disbursements to projects approved prior to the 1995 termination of this program.

**Number of recipients:** Qualified SME or NPOs.

**19. Title of program: ACOA Assistance under TAGS**

**Objectives of the program:** The program was administered by ACOA. The objective was to provide financial assistance to projects or activities which lead to the long-term diversification of affected fishery-dependent communities and to employment for workers displaced by the depletion of ground-fish stocks.

**Forms of support:** Assistance was provided in the form of grants, non-repayable and repayable contributions, and loans. Contributions made to NPOs were generally not repayable.

**Category of transfer:** Funding for adjustment and economic diversification within and outside fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** The program consisted of two components – Community Economic Development (CED) and Economic Renewal (ER). Aimed at communities affected by the closure of the groundfish industry in Atlantic Canada, the CED component helped communities create employment in alternative industries, e.g. the development of a viable tourism industry. The ER component implemented measures to promote long-term, self-sustaining economic activity, which would lead to sustainable jobs and increased earned incomes, particularly for displaced workers and to the improvement in competitiveness of the targeted sectors.

**Budget and expenditure:** The program expenditures totaled CAD 16 600 000 in FY 2000-01 and CAD 7 300 000 in FY 2001-02. No payment is expected after 2002.

**Duration:** The programme was created in 1995 as part of TAGS, and terminated in 1998. Expenditures during fiscal years 2000-01 and 2001-02 consisted of disbursements to projects approved prior to the 1998 termination of this program.

**Number of recipients:** Qualified SME or NPOs.

**Remarks:** Expenditures between the harvesting and processing sectors were apportioned based on the numbers of eligible TAGS recipients in the harvesting and processing sectors respectively.

**20. Title of program: ACOA Assistance under CFAR**

**Objectives of the program:** The program is administered by ACOA. The objective is to provide financial assistance to projects or activities which will lead to the long-term diversification of affected fishery-dependent communities and to employment for workers displaced by the depletion of ground-fish stocks.

**Forms of support:** Assistance is provided in the form of grants, non-repayable and repayable contributions, and loans. Contributions made to NPOs are generally not repayable.

**Category of transfer:** Funding for adjustment and economic diversification within and outside fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** The program delivers the economic development component of the CFAR through cooperation with four Atlantic provinces and affected communities. The design of the new economic development components in all four provinces was guided by the following ACOA strategic priorities -- entrepreneurship; innovation and technology; tourism; access to capital and information; and community economic development.

**Budget and expenditure:** The program expenditures totalled CAD 31 400 000 in FY 2000-01, CAD 29 500 000 in FY 2001-02 and CAD 14 700 000 in FY 2002-03.

**Duration:** The programme entered into force in 1998 as part of the CFAR. No commitment of funding for new projects has been made after March 31, 2003.

**Number of recipients:** Qualified SME or NPOs.

**Remarks:** Expenditures between the harvesting and processing sectors are apportioned based on the numbers of eligible TAGS recipients in the harvesting and processing sectors respectively.

**21. Title of program: *Western Economic Diversification Canada (WD) Western Economic Diversification Program (WDP)***

**Objectives of the program:** The program is administered by WD. The objective is to support activities that develop and diversify the western Canadian economy and activities where economic benefits and job creation occur primarily within Western Canada. Funding is focused innovation, business sector development and expansion, and creation or enhancement of partnerships that promote investment in economic development and diversification.

**Forms of support:** Assistance is provided in the form of grants, non-repayable and repayable contributions, and loans. Contributions made to NPOs are generally not repayable.

**Category of transfer:** Cost reducing transfers for regional economic development.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Commercial fisheries under various competitive and rights-based systems.

**Description/Rules and conditions:** The program consists of various components, which provide assistance to eligible projects from the fishery sector as well as other economic sectors. Strategic investments to improve the environment for regional economic growth are made possible through partnership with the province. Most of the fisheries projects were aimed at general resource enhancement and development, demonstration projects, productivity improvement, development of new products, and aquaculture development. Contributions are normally between 25% and 75% of eligible project costs. SME loans provided through Community Futures Development Corporations (CFDCs) can be up to CAD 125 000 on commercial terms.

**Budget and expenditure:** The program expenditures totalled CAD 124 502 in FY 2000-01, CAD 124 502 in FY 2001-02 and CAD 557 500 in FY 2002-03.

**Duration:** Ongoing since 1987.

**Number of recipients:** Fishing industry, among other eligible sectors.

**Remarks:** For FY 2000-01 and FY 2001-02, expenditures were estimated from the total 2000-02 loan amounts from the Regular Investment Fund. For FY 2002-03, expenditures pertained to contributions to aquaculture R&D projects.

**22. Title of program: WD Community Economic Adjustment Initiative**

**Objectives of the program:** The program was administered by WD. The objective was to encourage long term sustainable economic development and diversification in coastal communities affected by changes in the salmon fishery industry.

**Forms of support:** Assistance was provided in the form of repayable contributions for commercial or for-profit projects, or non-repayable contributions for not-for-profit projects.

**Category of transfer:** Funding for adjustment and economic diversification outside salmon fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Pacific salmon fisheries. Management through gear and area licensing, licence stacking as well as in-season management based on escapement targets.

**Description/Rules and conditions:** The program assisted communities to undertake strategic development and diversification projects that would facilitate coastal community economic transition from primary reliance on the salmon fishery to alternate economic activities. Funding decisions were made by a steering committee composed of community-based representatives but delivery was through the Fisheries Legacy Trust and its member CFDCs in the form of repayable and non-repayable contributions up to a maximum of CAD 250 000. Contributions would be repayable in the circumstances of the successful implementation of a commercial project by a private sector, for-profit entity, unless the benefits from the project were primarily derived by a third party or were diffused throughout a community.

**Budget and expenditure:** Expenditures totalled CAD 9 526 240 in FY 2000-01 and nil in FY 2001-02.

**Duration:** The programme was created in January 1999 as part of the Canadian Adjustment and Restructuring Program (CFAR). No government commitments have been made after March 31, 2002.

**Number of recipients:** Qualified private businesses, non-profit organizations, industry associations, or local governments.

**Remarks:** Currently reported under adjustment transfers. Expenditures between the harvesting and processing sectors were apportioned based on estimated job losses in the harvesting and processing sectors respectively.

**23. Title of program: WD Fisheries Legacy Trust Loan (FLTL) Fund**

**Objectives of the program:** The program was administered by WD. The program objectives were different for the two loan components: The objective of stacking loans was to help existing fishing license holders to finance the purchase of additional licenses to fish additional areas or gear (“stacking”); the objective of marine and other loans was to diversify, stabilize, and expand the economic and employment base of fishing communities by providing financing for small and medium sized businesses.

**Forms of support:** Assistance was provided in the form of licence stacking loans and marine and other loans.

**Category of transfer:** Funding for adjustment and economic diversification within or outside salmon fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Pacific salmon fisheries. Management through gear and area licensing, licence stacking as well as in-season management based on escapement targets.

**Description/Rules and conditions:** The FLTL was established to provide financing through CFDCs to qualified fishers to start a new business or expand an existing business that would help to develop and diversify the fishery sector or would allow a fisher to create a new business opportunity outside of the fishing industry. Until November 30, 1997, the FLTL made available financing of up to CAD 250 000 for license stacking. After November 30, 1997, financing of up to CAD 125 000 for business ventures in marine related industries was made available. Criteria were subsequently expanded to include any business venture regardless of sector if the proponent was a current or ex-fishermen.

Interest rates on loans ranged from prime to prime plus 4% (collateral could also be taken, but with flexible terms), depending on the type of enterprise and risk involved.

**Budget and expenditure:** Expenditures totalled CAD 1 691 402 in FY 2000-01 and CAD 2 406 307 in FY 2001-02.

**Duration:** The program was established in November 1997 as part of CFAR. All the FLTL programs had ended their disbursement stage by March 31, 2002, after which no disbursement has been made from the trust.

**Number of recipients:** Qualified fishers.

**Remarks:** Currently reported under adjustment transfers. Expenditures between the harvesting and processing sectors were apportioned based on estimated job losses in the harvesting and processing sectors respectively.



**24. Title of program: WD Local/Coastwide Initiative Program**

**Objectives of the program:** The program was administered by WD. The objective was to provide financing to support efforts to diversify within or outside the fishing industry.

**Forms of support:** Assistance was provided in the form of repayable or non-repayable contributions.

**Category of transfer:** Funding for adjustment and economic diversification within or outside salmon fisheries.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Pacific salmon fisheries. Management through gear and area licensing, licence stacking as well as in-season management based on escapement targets.

**Description/Rules and conditions:** The program was established to provide financing through CFDCs for fisheries or marine-related projects that provided local or broad coastwide benefits, by increasing economic vitality through new ways of creating wealth and employment from the fishery and marine sectors. The coastwide component provided repayable and non-repayable contributions of up to CAD 250 000 to groups or organizations for projects deemed "new" coastwide ideas by three or more Coastal CFDCs.

**Budget and expenditure:** Expenditures totalled CAD 1 567 975 in FY 2000-01 and CAD 1 567 975 in FY 2001-02.

**Duration:** The program was established as part of CFAR, and ended in March 31, 2002.

**Number of recipients:** Qualified groups or organizations.

**Remarks:** For FY 2000-01 and FY 2001-02, expenditures were estimated from the total 2000-02 contributions.

**25. Title of program: *Employment Insurance (EI) for Fishers***

**Objectives of the program:** The program is administered by Human Resources and Skills Development Canada (HRSDC). The objective is to provide short-term income support for self-employed fishers during non-fishing season.

**Forms of support:** Assistance is provided in the form of EI benefits.

**Category of transfer:** Unemployment insurance.

**Cost recovery or offsetting charges:** Premium payments into the program.

**Recipient fishery, fisheries or sectors:** Mostly inshore commercial fisheries. Under a variety of competitive and rights-based systems.

**Description/Rules and conditions:** Fishers EI is designed to protect self-employed fishers from the uncertainties of the fishing industry due to high seasonality and fluctuating catch rates. Two benefit periods of 26 weeks are available to accommodate the summer and winter fisheries respectively. Wage earning fishers and fish plant workers are only eligible for regular EI.

**Budget and expenditure:** The program expenditures totalled CAD 250 600 000 in FY 2000-01, CAD 286 700 000 in FY 2001-02 and CAD 312 700 000 in FY 2002-03.

**Duration:** Ongoing since 1956.

**Number of recipients:** There were 35 877 fishing EI claims made in 2003.

**26. Title of program: TAGS Income Support**

**Objectives of the program:** The program was administered by former HRDC. The objective was to provide income support to fishers and plant workers affected by the East Coast groundfish crisis.

**Forms of support:** Assistance was provided in the form of contributions.

**Category of transfer:** Income support for fishers and plant workers.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** The program provided income support to eligible fishers, trawler workers and plant workers affected by the Atlantic groundfish crisis. The eligible recipients must agree to participate in the labour adjustment programs offered under TAGS.

**Budget and expenditure:** Expenditures totalled CAD 10 000 in FY 2000-01 and nil in FY 2001-02.

**Duration:** The program was established in 1994 as part of TAGS, and terminated in 1998. Consequently, no new applications have been considered since that time.

**Number of recipients:** Original eligible TAGS recipients – 15 599 fishers and 24 391 plant workers and trawlermen.

**Remarks:** Expenditures between the harvesting and processing sectors were apportioned based on the numbers of eligible TAGS recipients in the harvesting and processing sectors respectively.

**27. Title of program: Fish Plant Older Worker Adjustment Program**

**Objectives of the program:** The program is administered by HRSDC. The objective is to facilitate adjustment out of the Atlantic ground fishery by providing assistance to fish plant workers who were at least 55 years of age or older on May 15, 1995.

**Forms of support:** Assistance is provided as income support, mainly in the form of annuity payments to the eligible participant.

**Category of transfer:** Retirement payments for fisheries workers.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** Plant workers and trawlermen between 55 and 64 years old were eligible for the program, which was meant to bridge the time between retirement and age 65 when the person would be eligible for Canada Pension Plan and/or Old Age Security.

**Budget and expenditure:** The program expenditures totalled CAD 3 476 000 in FY 2000-01, CAD 3 218 000 in FY 2001-02 and CAD 2 938 000 in FY 2002-03.

**Duration:** The program was established in 1994 as part of TAGS, and terminated in 1998. Consequently, no new applications have been considered since that time. Expenditures during fiscal years 2000-01 to 2005-06 consist of annuity payments to beneficiaries approved prior to the 1998 termination of this program.

**Number of recipients:** Qualified older fisheries workers.

**28. Title of program: Early Retirement Program for Fish Plant Worker**

**Objectives of the program:** The program was administered by former HRDC. The objective was to provide periodic income assistance payments to former fish plant workers in order to cope with the Atlantic groundfish crisis, to retire from the fishery and to avoid dependency on other income support programs.

**Forms of support:** Assistance was provided as income support, mainly in the form of a lump-sum purchase of annuities for qualified workers.

**Category of transfer:** Retirement payments for plant workers.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish. Majority under rights-based systems.

**Description/Rules and conditions:** Plant workers between 55 and 64 years old were eligible for the program, which was meant to bridge the time between retirement and age 65 when the person would be eligible for Canada Pension Plan and/or Old Age Security.

**Budget and expenditure:** The program expenditures totaled CAD 316 000 in FY 2000-01 and CAD 101 000 in FY 2001-02.

**Duration:** The program was established in 1998 as part of CFAR, and terminated in 2001.

**Number of recipients:** Qualified plant workers.

**29. Title of program: *The CFAR Active Adjustment Measures***

**Objectives of the program:** The program was administered by former HRDC. The objective was to assist individuals who were eligible under TAGS or who have been affected by the B.C. Salmon fishery closures, to prepare for, obtain and maintain employment.

**Forms of support:** Assistance was provided in the form of grants or repayable contributions.

**Category of transfer:** Funding for active labour adjustment measures.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** Atlantic groundfish and Pacific salmon fisheries. Most Atlantic groundfish fisheries are under rights-based systems, while the Pacific salmon fisheries are managed through gear and area licensing, licence stacking as well as in-season management based on escapement targets.

**Description/Rules and conditions:** Active adjustment measures were designed to facilitate access to employment through career planning and counseling, mobility assistance and support for re-employment; to prepare individuals for work through literacy and basic skills training; and to enhance employment opportunities through support for entrepreneurship and restoration of the environment and communities.

**Budget and expenditure:** Expenditures totalling CAD 13 690 000 in FY 2000-01 and nil in FY 2001-02.

**Duration:** The programme was created in 1998 as part of CFAR. No government commitment has been made after March 31, 2001.

**Number of recipients:** Original eligible TAGS recipients – 15 599 fishers and 24 391 plant workers and trawlermen. Estimated Pacific job losses – 6 440 fishers and 2 995 plant and onshore workers.

**Remarks:** Expenditures between the harvesting and processing sectors were apportioned based on the total affected workers (Atlantic and Pacific) in the harvesting and processing sectors respectively.

**30. Title of program: Industrial Research Assistance Program (IRAP)**

**Objectives of the program:** The program is administered by the National Research Council (NRC). The objective is to stimulate innovation in Canadian small- and medium-sized enterprises.

**Forms of support:** Assistance to firms is provided through short-term non-funded technical advice and non-repayable and conditional repayable contributions.

**Category of transfer:** Contributions to match private sector R&D investments.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Subject to a variety of competitive and rights-based systems.

**Description/Rules and conditions:** The programme provides assistance to approved industrial research and development projects from the fishery sector as well as other economic sectors. Company-proposed projects are reviewed and approved according to objective criteria. Assistance is for technical work only, not for capital, commercialization or other business expenses. Technical advice is provided as part of the technical services to small and medium-sized enterprises through technical staff located in various regions. For funded projects, the cost incurred by the enterprise is covered in part by the program through a non-repayable contribution. Assistance in the form of conditional repayable contributions are in entities that can demonstrate their ability to successfully complete the project, to cause the successful commercial exploitation of the results of the supported projects, and thereby to provide for a satisfactory return on government's investments. Recipients include private sector companies, partnerships and business associations and alliances. Contributions do not exceed 50% of the cost of a project.

**Budget and expenditure:** The program expenditures in fisheries totalled CAD 2 500 000 in FY 2000-01, CAD 2 500 000 in FY 2001-02 and CAD 2 500 000 in FY 2002-03.

**Duration:** Ongoing since 1962.

**Number of recipients:** Fishing industry -- with majority funding in aquaculture, among other eligible sectors.

**Remarks:** Approximately constant annual expenditures based on the 1996-97 expenditures at CAD 2.6 million for the late 1990s and revised down in recent years to CAD 1.5 million. (NRC no longer provides separate fisheries numbers since 1996.)

**31. Title of program: Canada Small Business Financing Program**

**Objectives of the program:** The program is administered by Industry Canada. The objective is to encourage private sector lenders to increase the availability of loans for the purpose of the establishment, expansion, modernization and improvement of small business enterprises.

**Forms of support:** Assistance is provided in the form of loan guarantees.

**Category of transfer:** Loan guarantees.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Subject to a variety of competitive and rights-based systems.

**Description/Rules and conditions:** Under the authority of the Canadian Small Business Financing (CSBF) Act, the program provides loan guarantees up to CAD 250 000 in respect of equipment, land and premises. The maximum term of these business improvement loans is ten years. Lenders are levied a 2% guarantee fee which is normally passed on to the borrowers in respect of all loans made. The government reimburses 85% of the lender's losses in the event of default. Farming businesses are not eligible under the program. All loans made after 31 March 1995, are subject to an annual fee of 1.25% calculated on the average amount of loans outstanding and payable by the lender to the government to help offset the cost of the program.

**Budget and expenditure:** The value of fisheries loans made under the CSBF program totalled CAD 12 853 260 in FY 2000-01, CAD 8 890 020 in FY 2001-02 and CAD 9 653 580 in FY 2002-03.

**Duration:** Ongoing since 1961.

**Number of recipients:** Fishing industry, among other eligible sectors.

**Remarks:** Loan information only available for fishing and trapping (including aquaculture). Industry Canada no longer provides separate fisheries numbers since 1997, which has hence been prorated according to the ratio between the 1997-98 loan values of fishing/trapping and total primary industries.



<b>32. Title of program: Tax Measures</b>
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**Objectives of the program:** The measures are administered by the Canada Revenue Agency (CRA). The objective is to make it easier for fishers to manage their cash flow.

**Forms of support:** Cash flow advantage.

**Category of transfer:** Tax measures.

**Cost recovery or offsetting charges:** Not applicable.

**Recipient fishery, fisheries or sectors:** All fisheries. Subject to a variety of competitive and rights-based systems.

**Description/Rules and conditions:** Under the *Income Tax Act*, fishers are permitted to report income on a cash basis (as opposed to the accrual basis, which applies to other taxpayers) and are exempted from the requirement to make quarterly tax instalment payments. Under the *Excise Tax Act*, the Goods and Services Tax (GST) does not apply to purchases of certain fishing vessels, fishing nets and other related items.

**Budget and expenditure:** Not available.

**Duration:** Ongoing.

**Number of recipients:** Eligible fishers.

**Remarks:** Not included in annual updates of GFT tables.