



ESTIMATES

Canadian Food Inspection Agency

**2000-2001
Estimates**

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

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Canadian Food Inspection Agency

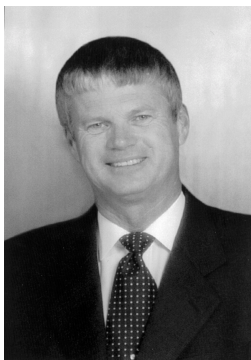
Report on Plans and Priorities 2000–2001

Lyle Vanclief
Minister of Agriculture and Agri-Food

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1.0 MINISTER'S MESSAGE



Lyle Vanclief
Minister of Agriculture
and Agri-Food and
Minister Coordinating
Rural Affairs

I am pleased to present the Canadian Food Inspection Agency (CFIA) 2000–2001 *Report on Plans and Priorities*. CFIA begins its fourth year of operation with a clear plan to deliver federal regulatory services related to food safety, consumer protection, plant protection and animal health. This plan recognizes and responds to the many challenges the Agency will face and also sets an ambitious course for the future. It is a course that will see that Canadian consumers continue to benefit from one of the safest food supplies in the world. It is a course that will contribute to this Government's commitment to enhancing the quality of life of all Canadians.

As Canada moves into the 21st century, the food continuum—from the farm to processor to distributor to retailer to the table—is more complex than ever. There are new production and processing systems, advanced technologies, new means of distribution and more imports. At the same time, there has been explosive growth in the production of processed foods and the marketplace has become increasingly competitive. In addressing these challenges, CFIA is committed, first and foremost, to ensuring that food is safe and that consumers are protected. The Agency will do this by ensuring that federal inspection services can effectively and efficiently identify and appropriately respond to food safety risks throughout the food continuum as well as by working with partners, including consumers, along the food continuum to enhance food safety practices.

CFIA is also mandated with maintaining the health of animals and protecting plants. We live in a world where the risk of transferring pests and diseases from one part of the world to another has increased significantly. We also live at a time when the science, knowledge and methodologies behind plant and animal health are rapidly advancing. CFIA is committed to maintaining the health of the plants and animals in Canada.

CFIA is working toward a strong, comprehensive and integrated approach to delivering effective and efficient federal inspection and related services for food, animals and plants that will meet the needs of Canadians. I invite you to read our *Report on Plans and Priorities* and see how the Canadian Food Inspection Agency will continue to contribute to Canadian society.

Lyle Vanclief
Minister of Agriculture and Agri-Food and
Minister Coordinating Rural Affairs

2.0 AGENCY OVERVIEW

2.1 Mandate, Roles and Responsibilities

The Canadian Food Inspection Agency (CFIA) was created in 1997 to consolidate the delivery of all federally mandated food inspection and quarantine services as well as plant protection and animal health programs—delivery that was previously provided by four federal government departments (Agriculture and Agri-Food Canada, Fisheries and Oceans Canada, Health Canada and Industry Canada). The Agency reports to the Minister of Agriculture and Agri-Food.

The Canadian Food Inspection Agency’s mandate includes responsibility for the administration and/or enforcement of 13 Acts and their regulations. This includes inspection services related to food safety, consumer protection, plant protection and animal health. Health Canada is responsible for the establishment of policies and standards and nutritional quality of food sold in Canada. Health Canada is also responsible for assessing the effectiveness of the Agency’s activities related to food safety.

In fulfilling the Agency’s leadership role in maintaining and improving the overall integrity of the food safety, consumer protection, plant protection and animal health systems, CFIA works with other partners including other federal departments, provincial/territorial/ municipal governments, producers, industry, distributors, retailers, and ultimately, each consumer of food in Canada.

In fulfilling its roles and responsibilities, CFIA carries out several major functions:

- the design and development of legislation, regulations and inspection programs and policies, and compliance mechanisms required to produce effective programs;
- the direct delivery of these programs; and
- consumer education.

The Agency currently manages 14 programs that include all types of foods, agricultural inputs, such as feeds, seeds and fertilizers, plant protection and animal health. These programs are delivered through the provision of a number of services, including product inspection, establishment inspection and registration, product certification, licencing, testing and enforcement.

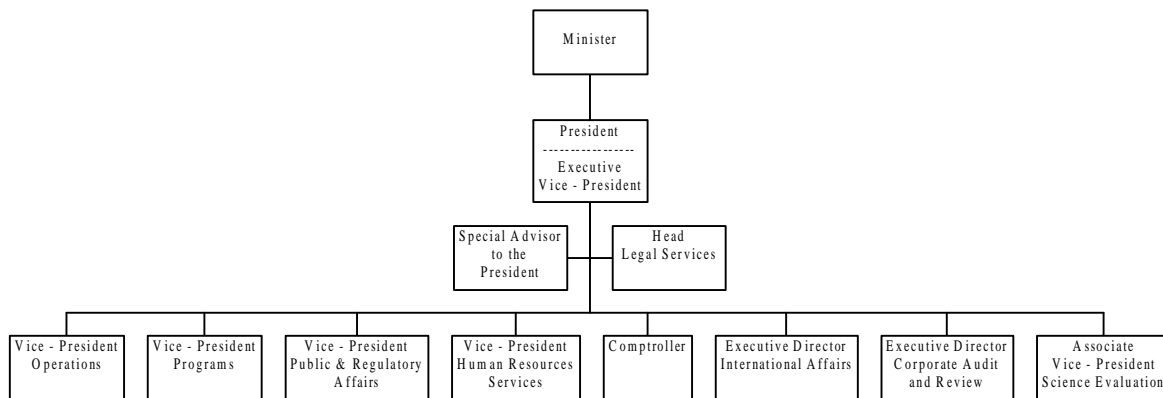
CFIA Programs

Dairy, Egg, Fish, Meat Hygiene, Honey, Fresh Fruit and Vegetables, Retail Food, Consumer Food Products, Processed Products, Feed, Seed, Fertilizer, Animal Health, Plant Protection

Delivery of these services is conducted by close to 4,400 people working in 18 regions across Canada. CFIA’s staff includes a broad range of professionals, including

veterinarians, agronomists, biologists, chemists, computer systems specialists, financial officers, communications experts, research scientists and laboratory technicians, and some 1,800 highly trained front-line inspection staff.

CFIA’s organizational design, shown below, is intended to allow the Agency to manage programs along the entire food continuum effectively and efficiently. It is also designed to allow for efficient management of issues that cut across commodity lines. As provided in the *Canadian Food Inspection Agency Act*, a 12-member external advisory board provides advice to the Minister on broad policy issues related to the responsibilities of CFIA.



2.2 Agency Objective

Inspection Programs for Food and Food Products

The focus of the CFIA food inspection program is to verify that manufacturers, importers and distributors, regulated by CFIA, meet federal standards for safety, quality, quantity, composition, handling, identity, processing, packaging and labelling. In the case of exported food, manufacturers may also be required to meet other requirements of the importing country. This is a reciprocal arrangement, as other countries often certify food products destined for the Canadian market.

CFIA’s regulatory function is carried out through the registration and inspection of establishments for interprovincial and international movement of food, and the inspection and grade monitoring of products in registered and non-registered processing establishments, at importers’ premises and in retail establishments. Working with Health Canada, other governments and regulated industries, CFIA manages food recalls and other related enforcement actions.

Inspection Programs for Plant Protection and Animal Health

The plant protection and animal health programs contribute to the protection of Canada's animal and plant resource base against the introduction and spread of regulated pests and diseases of significance to human health, the environment and the economy. The humane transportation of animals is also regulated by the CFIA Animal Health Program.

Import activities are aimed at preventing exotic diseases and pests from becoming established in Canada. This is done through the inspection, testing and certification of horticultural, livestock, forestry, biological and other food commodities before their release into Canada. These activities are conducted at border points, seaports, airports and quarantine facilities and in the country of origin. The programs also maintain international disease intelligence activities, negotiate import health requirements with exporting countries, and conduct regional and national emergency simulation exercises.

The plant protection program conducts environmental assessments for release of plants, feed and microbial products derived through biotechnology. It also verifies that livestock feed and commercial fertilizers and supplements used in Canada are safe and effective and are packaged and labelled according to established standards. The program includes seed certification and the registration of varieties of field crops and also provides a form of patent by granting Plant Breeders' Rights for varieties of agricultural and horticultural crops.

2.3 External Factors Influencing the Agency

There are a number of external factors that have been and will be influencing CFIA's strategic direction for the next several years. The following highlights the most critical of these influences.

Government Commitments

In the recent Speech from the Throne, the Government of Canada put forth a plan aimed at enhancing the quality of life for all Canadians. Of particular significance for CFIA was the government's commitment to improving Canada's food safety system. Other commitments of relevance to CFIA include commitments to pursue arrangements with provinces, territories and private sector; participate in international fora in order to help build a more transparent, rules-based global trading system; attract and retain researchers; and, implement government-wide human resource strategies.

"The Government will protect the health of Canadians by strengthening Canada's food safety program . . . "

Speech from the Throne, 1999

Federal/Provincial/Territorial Partnerships

Fiscal restraint and Canadians' expectation for greater efficiency and effectiveness in the delivery of government services, regardless of the level of government, has led to increasing collaboration between governments. The Canadian Food Inspection System Implementation Group (CFISIG) is a collaborative initiative of the federal, provincial and territorial governments. Its aim is to integrate Canadian food inspection through greater co-operation between jurisdictions, harmonized standards, and more uniform procedures and practices. CFIA must continue to be an active partner in this initiative. The Agency is also supported in meeting its mandate by working with the Federal/Provincial/Territorial Inspection Committee and the Federal/Provincial/Territorial Committee on Food Safety Policy.

Other Partnerships

Collaboration and partnerships between the federal government, producers, industry and consumers have been increasing and will continue to increase. One notable example is the Canadian Partnership for Consumer Food Safety Education, best known for its *Fight BAC!*[™] Campaign. In support of the Partnership's commitment to reduce food-borne illness through ongoing education about safe food handling practices, the Partnership will launch, in early 2000, a new education package designed for children aged 6 to 9 and their parents. The Partnership will also further expand its supply of communication tools, including the creation of an interactive component to the *Fight BAC!*[™] Web site. Other examples of collaboration and partnerships that will have future implications include a Memorandum of Understanding recently signed with the Canadian Grain Commission regarding biotechnology activities. The Agency is also an active member of joint working committees that have been set up to address recruitment, retention and learning in the science and technology community and the regulatory inspection community.

Public Perceptions and Expectations

CFIA, in developing plans for the future, must fully take into account the perceptions and expectations of Canadians. Canadian consumers are asking for more and better information about food safety and nutritional issues. Increased media attention on food safety issues, both here and abroad, have and will continue to influence Canadians' perceptions. Canadians have told us that they recognize that food safety is not solely a government responsibility —consumers have a role to play by preventing bacterial food-borne illness in the home, and industry also has a responsibility in ensuring food is safe. CFIA recognizes that Canadians expect more accountability and openness in government generally as well as effective and efficient government service delivery. The Agency also recognizes that Canadians expect the federal government's science programs to be "world-class" and that policies and interventions must be built on a strong base of high-quality information and science.

Demographics and Consumer Trends

The Canadian population has become increasingly diverse. Canadian consumers are demanding a wider variety of foods and are spending more of their food dollars in restaurants. Vulnerability to food-borne illnesses and their consequences will increase as the population ages.

International Regulatory Control of Food, Plants and Animals

The international regulatory control of food, plants and animals is becoming increasingly complex. International standard-setting bodies are developing new, more stringent standards to verify the safety of food and agricultural inputs. International organizations are also promoting the establishment of “disease-free zones,” an initiative that will liberalize international movement of food, plants and animals. CFIA must continue to protect important Canadian resources—Canada’s food supply system, its animals and plants—through measures that help prevent the spread of food-borne illness and maintain a healthy animal and plant population. CFIA must continue to inspect and certify producers and importers, thereby protecting Canadians and helping to build international confidence in Canadian-produced foods and animal and plant products. The Agency must also continue to influence international inspection standards and encourage adoption of Canadian requirements.

Technological Advances

One of the most widely reported technological advancements of significance to CFIA is biotechnology. Biotechnology has the capacity to improve disease and pest resistance of crops, enhance the nutritional value of foods, breed healthier animals, and develop quicker and more exact diagnostic kits for identifying diseases. On the other hand, public concern both here and abroad regarding biotechnology products will continue to place increasing pressures on CFIA. The challenge will be to find the safest ways of using this technology while ensuring that regulatory requirements are sufficiently stringent and strictly enforced. Another significant technological advance is that of communication and information exchange capabilities. There are and will continue to be significant opportunities to expand access and share information with partners, stakeholders and the public.

Inspection and Surveillance Trends

Since 1996–97, the total number of food recalls has increased by 80 percent. This is due to more reported allergies, improved surveillance systems, greater consumer awareness, improved detection methodologies, more stringent Health Canada guidelines, and increasing food imports, particularly from developing countries.

2.4 Financial Spending Plan

Agency Planned Spending

(\$ millions)	Forecast Spending 1999-00	Planned Spending 2000-01	Planned Spending 2001-02	Planned Spending 2002-03
Budgetary Main Estimates (gross)	308.4	314.3	308.9	307.7
Non-Budgetary Main Estimates (gross)	0	0	0	0
Less: Respendable revenue ¹	47.8	47.8	47.8	47.8
Total Main Estimates	260.6	266.5	261.1	259.9
Adjustments ²	66.2	11.9	12.8	13.5
Net Planned Spending	326.8 ³	278.4	273.9	273.4
Less: Non-respendable revenue	0.5	0.5	0.5	0.5
Plus: Cost of services provided without charge ⁴	24.7	25.3	25.3	25.3
Total Planned Spending	351.0 ⁵	303.2	298.7	298.2
Full Time Equivalents	4354	4360	4359	4354

3.0 PLANS, RESULTS AND RESOURCES

- ¹ Includes revenues collected by the Agency pursuant to the various fee orders (\$47.4 million) and estimated proceeds from the sale of Crown assets (\$0.4 million).
- ² Adjustments are to accommodate approvals obtained since the Annual Reference Level Update (ARLU) exercise, as well as items to be included in final Supplementary Estimates (1999-2000) and subsequent ARLUs (2000-01 and beyond).
- ³ Reflects forecast of total net planned spending to the end of the fiscal year based on current spending patterns.
- ⁴ These costs are as reported by other federal departments.
- ⁵ The amount available for total planned spending in 2000-01 is approximately \$50 million less than is forecast in 1999-00. However, it is fully anticipated that additional on-going funding will be provided in 2000-01 for program integrity needs (approximately \$40M). In addition, the Agency will have lapsing funds estimated at \$10 million. This amount will be returned in 2000-01 to cover revised cash flows. The overall impact will be that the 1999-00 forecast spending will be reduced to approximately \$341 million and the funding available for 2000-01 will be estimated at \$353 million.

3.1 Program Objective⁶

To deliver effective and efficient federal inspection and related services for food safety, consumer protection, plant protection and animal health.

3.2 Business Line Description⁶

The Canadian Food Inspection Agency provides regulatory and inspection services, such as inspection policy, assessment, evaluation and verification, research and standard setting, investigations of economic fraud, registration and certification, and compliance and enforcement. The focus of these services is to verify that food products for domestic consumption, including both Canadian produced food and imports, meet safety, quality, handling, identity process and labelling standards. These services also see that Canadian food exports meet necessary international safety, quality, handling, identity, process and labelling standards. Finally, these services contribute to the protection of Canada's animal and plant resource base from the introduction or spread of pests and diseases of human health or economic related significance.

⁶ CFIA intends to submit a new Planning, Reporting and Accountability Structure in the incoming fiscal year to formalize wording changes in the Program Objective and Business Line Objective.

3.3 Key Results Commitments, Planned Results, Related Activities and Resources

The following section provides a detailed description of the key results commitments, planned results and the activities that CFIA will be pursuing to achieve those results.

Summary of Priorities and Expected Results

CFIA Provides Canadians With	Key Results Commitments
Risk-based federal inspection and related services for: <ul style="list-style-type: none"> • food 	Contribute to food safety through the design, development and delivery of: <ul style="list-style-type: none"> • regulations • surveillance strategies related to food safety • enforcement and other compliance strategies • education and public awareness programs <hr/> Contribute to consumer protection through the design, development and delivery of: <ul style="list-style-type: none"> • surveillance strategies related to product identity, contents, weight, purity and grade • enforcement strategies against misrepresentation
<ul style="list-style-type: none"> • plant protection 	Contribute to the protection of plants by: <ul style="list-style-type: none"> • preventing the introduction and spread of plant pests and diseases • controlling and eradicating plant pests and diseases.
<ul style="list-style-type: none"> • animal health 	Contribute to the health of animals by: <ul style="list-style-type: none"> • preventing, controlling and eradicating diseases that affect animals or that may be transmitted from animals to humans • protecting the welfare of animals

Key Results Commitments	Planned Results	Related Activities
Contribute to safe food through the design, development and delivery of: <ul style="list-style-type: none"> • regulations • surveillance strategies related to food safety • enforcement and other compliance strategies • education and public awareness programs 	Modernized federal legislation and regulations	<ul style="list-style-type: none"> • Continue to work toward the potential consolidation of existing federal food legislation and agricultural inputs legislation into a comprehensive Act • Provide leadership to harmonize federal/provincial/territorial and international food safety standards, as appropriate
	Development and implementation of risk-based strategies for food safety	<ul style="list-style-type: none"> • Continue to develop and implement a long-term strategy to support implementation of food safety enhancement programs such as Hazard Analysis Critical Control Point (HACCP) Programs
	Compliance with federally regulated standards for safety and process	<ul style="list-style-type: none"> • Conduct establishment and product inspection to enforce compliance with federally regulated standards • Conduct establishment registration and licensing of products to federally regulated standards • Test food and food products to enforce compliance with federally regulated standards • Investigate and take appropriate action in cases of non-compliance • Certify products for interprovincial movement and export • Maintain membership and participation in multilateral organizations (e.g., CODEX) • Maintain management of international agreements and protocols to market safe food products and protect Canadians from unsafe food imports

Key Results Commitments	Planned Results	Related Activities
	Rapid response and investigation to food recalls	<ul style="list-style-type: none"> • Manage risk-based product recall mechanism • Maintain emergency response systems to address current and emerging food safety hazards
	Effective enforcement mechanisms and strategies	<ul style="list-style-type: none"> • Investigate non-compliance and take appropriate action (e.g., seizure, detention, licence suspension) or take enforcement action (e.g., prosecution), where applicable. • Continuously review, develop and implement effective compliance and enforcement tools
	Enhanced consumer awareness of food safety issues	<ul style="list-style-type: none"> • Develop and implement, in partnership with others, food safety education and communication programs
	Science-based decision making in policy development and program design	<ul style="list-style-type: none"> • Pursue relationships with the broader scientific community, including other government departments, universities and scientific foundations in Canada and internationally • Implement the recommended principles and guidelines outlined in the Council of Science and Technology Advisor's (CSTA) reports, entitled <i>Science Advice for Government Effectiveness (SAGE)</i> and <i>Building Excellence in Science and Technology (BEST)</i>.

Key Results Commitments	Planned Results	Related Activities
Contribute to consumer protection through the design, development and delivery of: <ul style="list-style-type: none"> • surveillance strategies related to product identity, contents, weight, purity and grade • enforcement strategies against misrepresentation 	Accurate product information	<ul style="list-style-type: none"> • Conduct active inspection, surveillance, sampling and testing of food to see that label information is accurate and not misleading • Maintain management of international agreements and protocols to market food products that meet product identity, contents, weight, purity and grade standards, and protect Canadian consumers from imports that do not meet those standards
	Effective enforcement mechanisms and strategies	<ul style="list-style-type: none"> • Investigate non-compliance and take appropriate action (e.g., seizure, detention, licence suspension) or take enforcement action (e.g., prosecution), where applicable. • Continuously review, develop and implement effective compliance and enforcement tools

Key Results Commitments	Planned Results	Related Activities
Contribute to the protection of plants by: <ul style="list-style-type: none"> • preventing the introduction and spread of plant pests and diseases • controlling and eradicating plant pests and diseases 	Reduced risk of entry of foreign diseases and pests	<ul style="list-style-type: none"> • Verify and test imports of horticultural and forestry products before their arrival or release into Canada • Maintain an early warning/information gathering system • Collaborate on the development of international protocols
	Discovery and rapid control and/or eradication of pests and diseases	<ul style="list-style-type: none"> • Conduct surveillance and testing of plants to verify health status and identify presence of pests • Maintain effective domestic control and eradication mechanisms • Maintain an enhanced rapid mobilization and emergency response mechanism
	Effective enforcement mechanisms and strategies	<ul style="list-style-type: none"> • Investigate non-compliance and take appropriate action (e.g., seizure, detention, licence suspension) or take enforcement action (e.g., prosecution), where applicable • Continuously review, develop and implement effective compliance and enforcement tools
	Manage international agreements and protocols	<ul style="list-style-type: none"> • Maintain membership and participation in the multilateral standard-setting organizations (e.g., International Plant Protection Convention [IPPC])

Key Results Commitments	Planned Results	Related Activities
	Science-based decision making in policy development and program design	<ul style="list-style-type: none"> • Pursue relationships with the broader scientific community, including other government departments, universities and scientific foundations in Canada and internationally • Implement the recommended principles and guidelines outlined in the Council of Science and Technology Advisor's (CSTA) reports, entitled <i>Science Advice for Government Effectiveness (SAGE)</i> and <i>Building Excellence in Science and Technology (BEST)</i>

Key Results Commitments	Planned Results	Related Activities
<p>Contribute to the health of animals by:</p> <ul style="list-style-type: none"> • preventing, controlling and eradicating diseases that affect animals or that may be transmitted from animals to humans • protecting the welfare of animals 	Reduced risk of entry of foreign diseases	<ul style="list-style-type: none"> • Verify and test imports before their arrival or release into Canada
	Discovery and rapid control and/or eradication of diseases	<ul style="list-style-type: none"> • Support the implementation of on-farm prevention programs • Conduct surveillance and testing of animals to verify health status • Develop and maintain animal identification programs that allow for effective traceback, if required • Maintain effective domestic control and eradication mechanisms • Maintain an enhanced rapid mobilization and emergency response mechanism
	Effective enforcement mechanisms and strategies	<ul style="list-style-type: none"> • Investigate non-compliance and take appropriate action (e.g., seizure, detention, licence suspension) or take enforcement action (e.g., prosecution), where applicable • Continuously review, develop and implement effective compliance and enforcement tools
	Manage international agreements and protocols	<ul style="list-style-type: none"> • Maintain membership and participate in international organizations (e.g., North American Plant Protection Organization [NAPPO] and Office international des Épizooties [OIE])

Key Results Commitments	Planned Results	Related Activities
	Humane treatment	<ul style="list-style-type: none"> • Conduct inspection of animals in transit to ensure humane transportation that is in accordance with federal regulations under the <i>Health of Animals Act</i> • Verify that industry uses humane methods for handling and slaughter of animals and poultry in federally registered plants in accordance with federal regulations under the <i>Meat Inspection Act</i>
	Science-based decision making in policy development and program design	<ul style="list-style-type: none"> • Pursue relationships with the broader scientific community, including other government departments, universities in Canada and internationally • Implement the recommended principles and guidelines outline in the <i>Council of Science and Technology Advisor's (CSTA)</i> reports, entitled <i>Science Advice for Government Effectiveness (SAGE)</i> and <i>Building Excellence in Science and Technology (BEST)</i>.

4.0 HORIZONTAL INITIATIVES

In addition to CFIA’s Key Results Commitments outlined in Section 3.0, the Agency is pursuing a number of initiatives that support government-wide, or horizontal, initiatives. The following section provides an overview and expected results related to:

- regulatory initiatives
- biotechnology
- sustainable development strategy
- financial information strategy
- human resources strategy

4.1 REGULATORY INITIATIVES

Legislative Acts and/or Regulations	Expected Results
CFIA is working toward potential consolidation of existing federal food legislation and agricultural inputs legislation into a comprehensive Act.	✓ Enhance the federal food inspection system by establishing uniform standards and enforcement measures for all sectors.
<i>Meat Inspection Regulations, 1990</i> CFIA is proposing to modernize the way ante- and post-mortem inspection of poultry (except ostrich, emu and rhea) is done. Regulations will be proposed to support the Modernized Poultry Inspection Project (MPIP).	✓ A more science-based oriented poultry inspection system. MPIP introduces the use in poultry abattoirs of HACCP systems, microbiological testing, statistical process control and ante-mortem flock information documents.

4.2 Biotechnology

Biotechnology	Planned Results
<p>CFIA is working to protect the safety of Canadians, animals and the environment as the application of biotechnology in the agri-food and agricultural sector continues to evolve.</p> <p>Expert scientific panel on the future of food biotechnology</p> <ul style="list-style-type: none"> ▶ Establishment of an arm’s-length expert scientific panel under the auspices of the Royal Society of Canada to study the future of food biotechnology. The expert panel will look ahead over the next 10 years to forecast the type of food products that are expected to be developed using biotechnology and the scientific capacities that will be needed to carry out safety assessments. <p>Labelling of foods derived through biotechnology</p> <ul style="list-style-type: none"> ▶ <i>Labelling Standard Development</i> Launch of a labelling standard development process by the Canadian Council of Grocery Distributors and facilitated by the Canadian General Standards Board, an accredited standards development organization. ▶ <i>CODEX Ad hoc Working Group on the Labelling of Food Products Derived Through Biotechnology</i> As Chair of the Ad hoc Working Group established by the CODEX Committee on Food Labelling (CCFL), advance progress on the CCFL development of an international standard for the labelling of food biotechnology products. 	<ul style="list-style-type: none"> ✓ Report identifying the regulatory needs and capacity building required to address the next generation of foods derived through biotechnology. Panel recommendations will complement work of the Canadian Biotechnology Advisory Committee and the Labelling Standards Committee ✓ Development of Canadian labelling standard providing: <ul style="list-style-type: none"> • model labelling statements • mechanisms for verification ✓ Development of improved draft CCFL text on the labelling for food products derived through biotechnology for consideration at the next annual CCFL meeting to be held May 2000 in Ottawa.

Biotechnology	Planned Results
<p>Biosafety Protocol</p> <p>The Cartagena Protocol on Biosafety has been negotiated under the UN Convention on Biological Diversity to define a legally binding international instrument to address possible adverse effects to biodiversity associated with the transboundary movement/trade of living, genetically modified organisms (LMOs).</p> <ul style="list-style-type: none"> ▶ The Canadian delegation was co-chaired by the Department of Foreign Affairs and International Trade and Environment Canada. Other departments and agencies, including the Canadian Food Inspection Agency contributed as members of Canada’s negotiating team. <p>In addition, substantive advice and input was received from a broadly based Biosafety Protocol Advisory Group that consists of representatives from the provinces, industry sectors and environmental groups, some of whom were also delegation participants.</p>	<ul style="list-style-type: none"> ✓ CFIA will contribute, as appropriate, to a government-wide analysis of the final Protocol text from legal, environmental, regulatory, economic and international policy directives. The interim analysis will be used to formulate a common consultation document for use with the provinces and non-governmental stakeholders (e.g., civil society, industry) in the spring of 2000. The analysis will be consolidated with the results of consultations.

4.3 Sustainable Development Strategy

The Agency will continue to coordinate its sustainable development policies with those of the other federal government agencies influencing Canada’s food sectors. The Agency will build on the sustainable development strategies (SDS) of Agriculture and Agri-Food Canada (AAFC), Department of Fisheries and Oceans, Health Canada and Industry Canada.

Contained in the AAFC-SDS are three items for which CFIA has the lead role.

Sustainable Development Strategies	Expected Results
<ul style="list-style-type: none"> ▶ Conduct environmental assessments of products of biotechnology (including feeds, fertilizers, supplements, veterinary biologics, and plants), and carry these out by conducting pre-release environmental safety assessments 	<p>Standards for safety, quality, process and product information are relevant and appropriate through:</p> <ul style="list-style-type: none"> ✓ policies to support SDS ✓ pre-release environmental safety assessments
<ul style="list-style-type: none"> ▶ Continue to develop new standards and regulations for contaminants in fertilizer products and animal feeds and supplements 	<ul style="list-style-type: none"> ✓ Control of contaminants in fertilizer products and animal feeds and supplements
<ul style="list-style-type: none"> ▶ Continue to implement an Environmental Management System (EMS) for CFIA’s physical operations 	<ul style="list-style-type: none"> ✓ Operation of CFIA’s physical resources in a sustainable manner, including enhanced fleet management, procurement of environmentally friendly products, managing and/or reducing waste and reducing energy consumption

4.4 Financial Information Strategy (FIS)

The implementation of FIS will allow the Government of Canada to take advantage of more modern accounting and financial reporting practices that will result in better information for management decision making, both in the Agency and at the federal government level.

FIS Strategies	Expected Results
<p>Implementation of a new Financial & Material Management System—SAP (Saturn)</p> <ul style="list-style-type: none"> ▶ The Agency, in partnership with Agriculture and Agri-Food Canada, implemented a new Financial & Material Management System in April 1999. The system chosen was SAP (Saturn), which was adopted by 15 other departments and agencies. ▶ The introduction of SAP, an accrual-based system, will provide Agency management with a powerful tool. 	<p>Creating a Modern Accounting and Financial Management Environment</p> <ul style="list-style-type: none"> ✓ SAP implementation integrated with other important modern comptrollership initiatives, such as improved activity costing and accrual-based financial reporting that has the capability to provide more complete and useful information to managers for decision-making purposes.
<p>Identify, Value and Record the Agency Assets and Liabilities</p> <ul style="list-style-type: none"> ▶ Immovable Assets Valuation Project established. ▶ National Asset Verification Project to identify, value and record the Agency's movable assets, including consumable inventories. ▶ Evaluation of the Agency's liabilities (such as employees' severance, vacation pay) and establishment of the Agency's equity position. 	<p>Improved Management Information for Assets, Liabilities and Equity</p> <ul style="list-style-type: none"> ✓ One of the most significant changes brought about by these FIS strategies will be capability to record assets, liabilities and equity in an integrated financial system and report accordingly. This new information will be highly visible, subject to audit, and should assist managers in the stewardship of those resources under their control.
<p>Implement Shared (Modern) Comptrollership</p> <ul style="list-style-type: none"> ▶ Communicate and clarify the financial and management principles to all Agency managers to clearly establish a shared (modern) comptrollership. 	<p>Improved Agency Management</p> <ul style="list-style-type: none"> ✓ Clear understanding and adoption by Agency managers of shared comptrollership over Agency resources.

4.5 Human Resources Strategy

The Human Resources Strategy is a framework for incorporating core values and principles into human resources (HR) management practices and policies; as well, it defines the tools and support needed to enable the future strategic directions of the Agency. Our separate employer status also offers the opportunity and challenge of new flexibilities to support the Agency priorities.

Human Resource Strategy	Expected Results
<p>Ensure CFIA has a qualified workforce and HR systems and processes to support the ongoing effective and efficient operation of the Agency. To do this, three strategies have been developed:</p> <ul style="list-style-type: none"> ▶ Attract and retain competent employees ▶ Maintain a qualified workforce through learning and development activities ▶ Foster a supportive work environment 	<p>Attract and Retain competent employees</p> <ul style="list-style-type: none"> ✓ Effective and innovative recruitment strategy and staffing processes, as well as a competitive total compensation and benefits package. ✓ Progressive and flexible HR policies and procedures that provide employees the opportunity to grow and contribute to the organization's priorities. ✓ An Agency-wide classification system that is tailored to the organization's need. <p>Maintain a Qualified Workforce</p> <ul style="list-style-type: none"> ✓ Opportunities and tools to support continuous learning. ✓ Appropriate career opportunities and developmental needs. <p>Foster a Supportive Work Environment</p> <ul style="list-style-type: none"> ✓ HR services, programs and information systems that are driven by the needs of the organization. ✓ A collaborative working relationship with management, employees and unions. ✓ Enhanced capacity to manage change. ✓ Responsive performance management processes, tools, feedback mechanisms, as well as a rewards and recognition program.

5.0 FINANCIAL INFORMATION

Table 5.1
Summary of Capital Spending by Program and Business Line

(\$ millions)	Forecast Spending 1999-00	Planned Spending 2000-01	Planned Spending 2001-02	Planned Spending 2002-03
Major Capital Spending	15.5 ⁷	9.4⁸	9.4	9.4
Agency Total	15.5	9.4	9.4	9.4

Table 5.2
Details on Major Capital Project Spending

(\$ millions)	Current Estimated Total Cost	Forecast Spending to March 31, 2000	Planned Spending 2000-2001	Planned Spending 2001-02	Planned Spending 2002-03	Future Year Spending Require- ment
Projects valued at under \$5,000,000 under development		15.5 ⁷	9.4⁸	9.4	9.4	9.4

⁷ Represents Main Estimates and carry forward amount from 1998/99 (\$6.0 million) authorized in Supplementary Estimates; equals forecasted spending/commitments to year-end.

⁸ Represents Main Estimates base requested for 2000-01.

Table 5.3
Summary of Transfer Payments

(\$ millions)	Forecast Spending 1999–2000	Planned Spending 2000–01	Planned Spending 2001–02	Planned Spending 2002–03
Contributions				
Contribution to the provinces in accordance with the Rabies Indemnification Regulations and the Anthrax Indemnification Regulations of the Governor in Council of amounts not exceeding two-fifths of the amounts paid by the provinces to owners of animals dying as a result of rabies or anthrax infection.	0.1	0.1	0.1	0.1
Contributions in support of those initiatives that contribute to the improvement, advancement and promotion of the federal inspection system.	0.1	0.1	0.1	0.1
(S) Compensation payments in accordance with requirements established by Regulations under the <i>Health of Animals Act</i> and the <i>Plant Protection Act</i> , and authorized pursuant to the <i>Canadian Food Inspection Agency Act</i> .	4.3	1.5⁹	1.5 ⁹	1.5 ⁹
Total Contributions	4.5	1.7	1.7	1.7

⁹ Represents the Agency's baseline reference level. Any increase beyond this amount caused by disease outbreaks will be reimbursed by Treasury Board Secretariat due to the statutory authority of this program.

Table 5.4
Source of Responsible and Non-Responsible Revenue

Responsible Revenue

(\$ millions)	Forecast Revenue 1999–2000	Planned Revenue 2000–01	Planned Revenue 2001–02	Planned Revenue 2002–03
Proceeds from sale of Crown assets	0.4	0.4	0.4	0.4
Responsible Revenue ¹⁰	47.4	47.4	47.4	47.4
Total Responsible Revenue	47.8	47.8	47.8	47.8

Non-Responsible Revenue

(\$ millions)	Forecast Revenue 1999–2000	Planned Revenue 2000–01	Planned Revenue 2001–02	Planned Revenue 2002–03
Other non-tax revenues ¹¹	0.5	0.5	0.5	0.5
Total Non-Responsible Revenue	0.5	0.5	0.5	0.5
Total Responsible and Non-Responsible Revenue	48.3	48.3	48.3	48.3

¹⁰ Represents revenues collected by the Agency pursuant to the various fee orders for inspection and related services.

¹¹ Represents fine revenues and interest on overdue accounts receivable that the Agency by law is not allowed to respond to operational purposes.

Table 5.5
Net Cost of Program for the Estimates Year

(\$ millions)	Canadian Food Inspection Agency
Planned Spending (Budgetary and Non-budgetary Main Estimates plus adjustments)	326.2
Plus: Services Received without Charge	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	13.3
Contributions covering employer's share of employees' insurance premiums and expenditures paid by TBS	11.5
Workman's compensation coverage provided by Human Resources Canada	0.2
Salary and associated expenditures of legal services provided by Justice Canada	0.3
	25.3
Less: Respendable Revenue	47.8
Less: Non-Respendable Revenue	0.5
	48.3
2000-01 Net Program Cost	303.2

6.0 SUPPLEMENTARY INFORMATION

6.1 Statutes and Regulations

Statutes and Regulations currently in force

Acts

Agriculture and Agri-Food Administrative Monetary Penalties Act, S.C. 1995, c. 40

Canada Agricultural Products Act, R.S., c. 20 (4th Supp.)

Canadian Food Inspection Agency Act, S.C., 1997, c. 6

Consumer Packaging and Labeling Act, R.S., c. C-38¹²

Feeds Act, R.S. 1985, c. F-9

Fertilizers Act, R.S., 1985, c. F-10

Fish Inspection Act, R.S., 1985, s. F-12

Food and Drugs Act, R.S., c. F-27¹³

Health of Animals Act, S.C. 1990, c. 21

Meat Inspection Act, R.S., c. 25, (1st Supp.)

Plant Breeders' Rights Act, S.C. 1990, c. 20

Plant Protection Act, S.C. 1990, c. 22

Seeds Act, R.S., c. S-8

Orders

Dairy Products Fees Order

Egg and Processed Egg Fees Order

Feeds Fees Order

Fertilizers Fees Order

Fresh Fruit and Vegetable Fees Order

Golden Nematode Order

Honey Fees Order

Livestock Carcass Grading Fees Order

Maple Products Fees Order

Meat Inspection Fees Order

¹² CFIA is responsible for the enforcement and administration of those provisions relating to food (SI/99-34; P.C. 1999-534).

¹³ CFIA is responsible for enforcement and administration of food (par. 11(3)(a) of the CFIA Act), other than provisions related to public health, safety or nutrition (par. 11(3)(b) of the CFIA Act).

Overtime Fees Order
Processed Products Fees Order
Plant Protection Fees Order
Quarantine and Inspection Service Fees Order
Reportable Diseases Regulations (ministerial)
Weed Seeds Order

Ministerial Notices

Seeds Fees Notice
Health of Animals Fees Notice

Regulations

Anthrax Indemnification Regulations
Destructive Pests Inspection Fees Regulations
Egg Regulations
Eggplants and Tomatoes Production (Central Saanich) Restriction Regulations
Consumer Packaging and Labeling Regulations
Dairy Products Regulations
Export Inspection & Certification Exemption Regulations
Feeds Regulations, 1983
Fertilizers Regulations
Fresh Fruit and Vegetable Regulations
Fish Inspection Regulations
Food and Drug Regulations¹⁴
Hatchery Regulations
Hatchery Exclusion Regulations
Health of Animals Regulations
Honey Regulations
Honeybee Importation Prohibition Regulations
Licensing and Arbitration Regulations
Livestock and Poultry Carcass Grading Regulations
Maple Products Regulations
Maximum Amounts for Destroyed Animals Regulations
Meat Inspection Regulations, 1990

¹⁴ Only those sections administered by the CFIA.

Plant Breeders' Rights Regulations
Plant Protection Regulations
Potato Production and Sale (Central Saanich) Restriction Regulations
Processed Egg Regulations
Rabies Indemnification Regulations
Processed Products Regulations
Rabies Vaccination Fees Regulations
Reportable Diseases Regulations
Seeds Regulations
Ungulate Movement Regulations

Proposed Regulations

Current Initiatives

<i>Health of Animals Regulations</i> (Reportable/Notifiable Disease Regulations)	initiated in 1999
<i>Seeds Regulations - Part III</i> (Variety Registration amendment)	initiated in 1999
<i>Health of Animals Regulations</i> (Humane Transportation)	initiated in 1999
<i>Health of Animals Regulations</i> (National Cattle Identification)	initiated in 1999
<i>Maximum Amounts for Destroyed Animals</i> (Compensation - Review - Phase II)	initiated in 1998
<i>Plant Protection Regulations</i> (Amendments to Schedules I & II)	carry over from 1998
<i>Seeds Regulations, Part II</i> (Seed Potatoes) Amendments	carry over from 1998
<i>Livestock and Poultry Carcass Grading Regulations</i> (Beef Grading Technology)	carry over from 1998
<i>Meat Inspection Regulations, 1990</i> (Mechanical Separation of Meat from Bones)	carry over from 1997
<i>Meat Inspection Regulations, 1990</i> (Temporary Marketing Authorization)	carry over from 1998

<i>Dairy Products Regulations</i> (National Dairy Code)	carry over from 1998
<i>Fresh Fruit and Vegetable Regulations</i> (Housekeeping)	carry over from 1998
<i>Food and Drug Regulations</i> (Regulatory Review)	
(I) Exemption from labelling for processing aids	carry over from 1998
(ii) Revision to ingredient and component requirements	carry over from 1998
(iii) Revision to legibility regulations	carry over from 1998
<i>Food and Drug Regulations</i> (Amendment of Fat content of Ground meat)	carry over from 1998
<i>Processed Products Regulations</i> (rewrite)	carry over from 1997
<i>Administrative Monetary Penalties Regulations</i> (New)	carry over from 1998
<i>Seeds Regulations - Part I</i> (seed quality amendments)	carry over from 1997
<i>Fish Inspection Regulations</i> (Gaspé/Cure Saltfish)	carry over from 1997
<i>Medicated Feed Establishment Registration Regulations</i>	carry over from 1998
<i>Meat Inspection Regulations, 1990</i> (Mandatory HACCP)	carry over from 1998

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