
**REVIEW
DIRECTORATE**

**DIRECTION GÉNÉRALE
DE L'EXAMEN**

**REVIEW OF THE DOCKSIDE MONITORING
PROGRAM**

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Fisheries and Oceans
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1.0 EXECUTIVE SUMMARY

Background

The objective of the Dockside Monitoring Program (DMP) is to provide accurate, timely, and independent third party verification of fish landings. The DMP constitutes the primary source, and in some regions, the sole source, of landing information on which the management of the fisheries is based. The fishing industry and the Department are therefore, dependent on the accurate verification of landings by Dockside Monitoring Companies (DMCs). The DMP is also a valuable fisheries management tool used by Fisheries and Oceans Canada (DFO) to support the monitoring of fisheries that come under the Program. The program has grown rapidly in recent years and now provides monitoring services for most fisheries in the Pacific, Quebec, Gulf, Maritimes and Newfoundland Regions.

Dockside Monitoring Companies (DMCs) and their employed Dockside Observers (DOs) are designated to perform DMP related duties by DFO as set out in the Fishery (General) Regulations. These DMCs are set up as either private or not for profit corporations. The requirement to participate in the DMP is set forth in fisher's Conditions of Licence.

The scope of the review covered the period from June 1999 (date of amendments to the Regulations) to present. It covered DMP carried out in Newfoundland, Maritimes, Gulf, Quebec and Pacific regions. There is no DMP in the Central and Arctic Region.

DMP Data Entry Processes

The Review Team undertook an extensive sampling and analysis of DMP data files in all DMP regions. Based on this analysis, the Review Team can provide reasonable assurance that the data entry processes for key DMP data are rigorous and result in an accurate and timely transposition of data from source DMP Tally Sheets into DFO databases. This assurance only covers data collection and processing as administered by the Dockside Monitoring Companies (DMCs), it does not address the risks that DMP data could be under-reported. These risks pertain to lack of monitoring of dockside activities and is discussed below.

A number of initiatives are currently underway to introduce increased application of technology in the capture of DMP data. A project funded by DFO to test the feasibility of using electronic, hand-held DMP data entry devices is being carried out in the Quebec Region. In addition, the Newfoundland Region is evaluating the potential use of Interactive Voice Response Systems to allow fishers to directly enter data which pertains to their intention to leave port to fish as well as notification of their return to port (hail data). The proposed use of technology has thus far been in areas where the principal benefits will accrue to the DMCs in terms of improving their efficiency. This review recommends that DFO should act as a coordinating agent in assisting Dockside Monitoring Companies to develop and implement technologies that will improve their efficiency in carrying out DMP functions. The direct funding by DFO of technology development for use by Dockside Monitoring Companies should be restricted to applications that will improve the effectiveness of the DMP and further the objectives of the Department.

Roles and Responsibilities

There are many participants involved in the DMP. The primary participants and stakeholders are the fish licence holders, Dockside Monitoring Companies (DMCs), Dockside Observers (DOs), buyers, the Canadian General Standards Board (CGSB) and DFO. The Review Team found the roles of most DMP participants to be clearly understood. However two key areas were found where the roles and responsibilities are not clearly defined nor understood.

The first pertains to the coordination of the DMP from the DFO perspective. Resource Management and the Conservation and Protection (C&P) organizations are both involved to varying degrees in the coordination of the DMP. Resource Management has the lead for DMP coordination in the Pacific, Quebec and Maritimes Regions. C&P is the primary coordinator in the Gulf and Newfoundland Regions. The Gulf and Maritimes Regions have resources dedicated to the coordination of the DMP, although the Gulf Region is funding the position on a risk basis. In the other regions the DMP coordination function is under-resourced.

The DMP is basically an operational program with a focus on the monitoring and recording of fish catches via the monitoring of the fish landings of licenced fishers. The pervasive field presence of the C&P organization throughout the regions puts it in an ideal position to deal with fishers, buyers, Dockside Monitoring Companies (DMCs) and Dockside Observers (DOs) on most aspects of the DMP. To focus the regional coordination of the DMP in C&P facilitates the involvement of Fishery Officers in the field in support of the DMP. The active involvement of Fishery Officers in the DMP is essential to ensuring the integrity of the Program. In addition, the C&P organization manages the At Sea Observer and the Air Surveillance Programs. The only exception to this is that Resource Management manages the At Sea Observer Program in the Pacific Region. Important opportunities to integrate aspects of the DMP and these programs are facilitated when the coordination of all these monitoring programs are organizationally linked. For these reasons the Review Teams recommends that the responsibility for regional DMP coordination be assigned on a full-time basis to a member of the C&P regional staff.

The responsibility for the national coordination is currently split between the Resource Management and C&P organizations. Overall there has been a lack of effective national coordination of the DMP. There are significant variations in how the DMP operates in each DFO Region. Best practices in one region have not historically been readily shared with the others. This review recommends that the C&P HQ organization be assigned the responsibility for the coordination of the DMP to facilitate the involvement of regional C&P in support of the DMP and provide needed national program focus.

Designation of Dockside Monitoring Companies

An important element of reducing the risk to the integrity of the DMP is the designation process for DMCs and Dockside Observers (DOs). The essence of this designation process is compliance to specific conditions before either a company can operate as a DMC, or an individual can act as a DO.

The designation requirements for a DMC are described in Section 39.1 of the Fishery (General) Regulations and the Atlantic Dockside Monitoring Policies and Procedures document. The key requirements are:

- A Business Plan that includes: an operations plan, a human resource and training plan, and an attestation from an accredited lawyer or accountant indicating the company's financial capacity to carry out the responsibilities of a DMC, or the posting of a three-month performance bond.
- A statement that discloses all conflicts of interest that stipulates the company is at "arms length" from the fishing industry.
- A document that describes how the company will comply with the DMP Quality System Standards as audited by the Canada General Standards Board.

There are currently 17 DMCs in operation. Two DMCs in Newfoundland and all three DMCs in the Pacific Region are operating without meeting the requirements for designation and have therefore not been designated by DFO.

The largest DMC in Newfoundland has not been designated primarily because it does not meet the arms length criteria requiring that over 50% of the members of the Board of Directors be persons not associated with the fishing industry. The second non-designated DMC operating in Newfoundland is a very small company with only four employees. This company takes the position that it is not economically viable for it to meet the rigorous documentation requirements associated with the establishment and maintenance of a Quality System Standards Manual that could be audited by Canada General Standards Board (CGSB). The company claims it adheres to all the operational policies and guidelines outlined in the Atlantic Dockside Monitoring Policies and Procedures document, however it has never been audited by CGSB. Based on this fact alone, this company does not meet the designation requirements for DMCs. Section 39.1 does not allow for any form of full or partial exemption from designation requirements based on size of company operations. The failure of these two companies to meet designation requirements has been a long-standing issue in the Newfoundland Region. There appears to have been no meaningful progress made by the DMCs to submit the information required for designation under Section 39.1.

The Pacific Region never adopted the designation regime, stipulated by Section 39.1 of the Fishery (General) Regulations. At the time Section 39.1 was enacted, the Pacific Region had in place a process whereby DFO was a party to contracts with DMCs to provide dockside monitoring services for specified species of fish. Many of the requirements set forth under Section 39.1 and associated DFO policies, were in fact covered under the conditions of the contracts. However, the DMCs in the Pacific Region fall short of full compliance with Section 39.1, most notably their lack of adherence to the Quality System Standards and the CGSB auditing of DMC processes in accordance with these standards.

To help ensure the integrity of the DMP and to comply with the regulations governing DMCs, it is essential that all DMCs meet the designation requirements. It is therefore recommended that companies in the Newfoundland and Pacific Regions, currently operating without being designated, fully comply with Section 39.1 of the Fishery (General) Regulations.

Designation of Dockside Observers

As referenced above, persons wishing to become Dockside Observers (DOs) must be formally designated by DFO. Key elements required by prospective DOs for designation are as follows:

they are at “arms length” from the fishing industry; have a high school diploma or equivalent experience; are Canadian citizens or have landed immigrant status; can obtain a certificate of Conduct from a police agency; and are confirmed to have no past convictions under the Fishery (General) Regulations. In addition to these prerequisites, DOs must attend 56 hours of training and obtain a 75% rating on an examination, which covers all-important aspects of the DO function.

The DO role is pivotal to the success of the DMP. Without assurance that DOs are of good character and well trained, there can be little assurance that the DMP has substance and integrity. The Review Team found the requirements pertaining to the designation of DOs are not sufficiently comprehensive, nor sufficiently verified in some regions to provide reasonable assurance that DOs meet the requirements necessary to perform the DO function. This includes areas such as background checks, training, and examinations.

Recommendations are made to implement policies pertaining to the DO training process, including, minimum requirements for someone teaching the DO course, minimum refresher training requirements, minimum training requirements for Temporary DOs and increased control of the examination process. Recommendations are also made to enhance background checking for DOs, and to develop a national protocol which categorizes DO performance lapses and infractions and identifies DFO imposed penalties for each.

Dockside Monitoring Program Procedures

An important strategy which contributes to the ongoing integrity of the DMP is the clear articulation of mandatory procedures associated with the reporting of fishing activities and the actual weighing of the catch. Although these DMP procedures were originally drafted for a national context, a number of differences in procedures now exist among the regions and even within the same region. While there are legitimate reasons to account for some of the differences, many exist simply out of preference and tradition and often do not represent best practice.

The Review Team identified various significant deviations from DMP internal control procedures, which are designed to provide assurance that the DMP remains a credible program. Recommendations are made to improve compliance to key DMP procedures including, hail-outs and hail-ins by fishers, weighing methods, protocols for fish landing sites, ice allowances, and incident reporting.

Ongoing Monitoring of the Dockside Monitoring Program

None of the regional C&P organizations have created a comprehensive integrated strategy to carry out reviews of the performance of DOs and DMP related dockside procedures. As stated above, the Review Team can provide reasonable assurance that the DMP data processing function results in the accurate transposition of source data to DFO databases. However, without a more comprehensive strategic approach to monitoring the actual dockside practices, assurance can not be given that the DMP data are not unduly open to under-reporting. The more that can be done to provide assurance that these dockside practices are followed, the greater the likelihood of program integrity. Because of the importance of the DO role in ensuring the ultimate integrity of the DMP, it is critical to have monitoring and surveillance systems in place that increase the assurance that DMP regulations, policies, procedures and DO performance are all followed and

are above reproach. The Review Team therefore recommends C&P organizations in all DMP regions make more effective use of available data to monitor DMP practices as well as develop comprehensive DMP audit strategies. To help ensure that these audit strategies are effectively implemented, it is further recommended that Fishery Officers receive additional training on the DMP and their role in supporting the monitoring of the program.

Conclusion

The DMP is the cornerstone of the departmental initiative to capture and record the actual weight of fish species caught off the east and west coasts of Canada as well as in the Gulf of Saint Lawrence. This information is a vital component in the development of resource management plans for most commercial, recreational and aboriginal fisheries in Canada.

The Review Team determined that the data entry processes for primary DMP data are rigorous and result in an accurate transposition of data from source DMP Tally Sheets into DFO databases.

The review, however, found evidence that the overall ongoing integrity of the Program is potentially at risk because DMP related regulations, policies, and control procedures are not rigorously and consistently adhered to in all regions. Recommendations have been offered to strengthen and improve the DMP in order to create an environment that enhances the respect and integrity of the Program, and helps assure a greater potential for ongoing compliance.

2.0 INTRODUCTION

2.1 BACKGROUND

Prior to the early 1980s, the Department of Fisheries and Ocean's (DFO) traditional approach to managing the fisheries had been through individual effort controls or collective catch quotas. This approach encouraged a "race for the fish". Since that time, however, the approach for managing the fishery has changed, for the most part, to a regime commonly referred to as "Individual Quota" (IQ). Many studies conducted by DFO of the IQ management regime had suggested that opportunity existed for misreporting of landings. To minimize the incentive for misreporting, the Dockside Monitoring Program (DMP) was introduced by DFO.

The objective of the DMP is to provide accurate, timely, and independent third party verification of fish landings. The DMP is also a valuable fisheries management tool used by DFO to support the monitoring of fisheries that come under the Program. The Program has grown rapidly in recent years and now covers the majority of fisheries. Since 1992, DFO has adopted the position that the IQ regime benefits the licence holders and therefore they should bear the costs of the DMP.

Dockside Monitoring Companies (DMCs) and the Dockside Observers (DOs) in their employ are designated by DFO as set out in the Fishery (General) Regulations. These DMCs are set up as either private or not for profit corporations. A key role of DFO is to facilitate the implementation of the DMP by establishing licence conditions requiring all fleet sector members to participate in the Program.

The Program has grown rapidly in recent years and now provides monitoring services for most fisheries on the West Coast, in Atlantic Canada and Quebec. The DMP constitutes the primary source, and in some regions, the sole source, of landing information on which the management of the fisheries is based. The fishing industry and the Department are therefore, dependent on the accurate verification of landings by Dockside Monitoring Companies (DMCs).

In 1999, a number of changes were made to the Fishery (General) Regulations and supporting policies to take into account the growth, size and priority of dockside monitoring and to ensure that DFO maintained a degree of control over how DMCs were organized and operated to carry out this very important function. The key element of this initiative was to establish designation requirements for DMCs. These designation requirements have three principal elements: arm's length criteria, financial viability and quality control systems.

The arm's length criteria are designed to ensure that there are no actual or perceived conflicts of interest between the DMCs, Dockside Observers (DOs) and the fishing entities they monitor. Specific criteria that DMCs and DOs have to meet are set out in the Fishery (General) Regulations.

The financial viability of prospective DMCs is addressed by requirements in the Regulations that stipulate that DMCs develop business plans and provide evidence of financial viability in order to be considered for designation by DFO.

The introduction of Quality System Standards requires that DMCs have processes and procedures in place to provide for consistently accurate and timely records of landings. DFO contracts with the Canadian General Standards Board (CGSB) to conduct audits of the DMCs' Quality System. The first audits were conducted in 2000.

The DMP was last reviewed in 1995 prior to the above referenced 1999 amendments to the DMP. The Review Directorate's 2000-01 annual plan included a review of the DMP.

2.2 OBJECTIVES

The objectives of the review were to determine:

1. Whether an adequate governance structure to support DMP has been established; and
2. Whether management practices were conducive to program effectiveness and efficiency.

2.3 SCOPE

The scope of the review covered the period from June 1999 (date of amendments to the Regulations) to present. It covered DMP carried out in Newfoundland, Maritimes, Gulf, Quebec and Pacific regions. There is no DMP in the Central and Arctic Region.

2.4 METHODOLOGY

The review was carried out in three phases: planning, conduct and reporting.

For the planning phase, the Review Team conducted interviews at National Headquarters, the Maritimes and Newfoundland Regions to gather information on the Program to identify potential issues and to develop a detailed review program for the conduct phase.

For the conduct phase, the Review Team undertook interviews in DFO Headquarters as well as in all five regions that administer the DMP. The Review Team reviewed DMP regulations and policies to determine their appropriateness; analyzed DMP data records to determine their accuracy; and reviewed DMP related procedures and management practices in both DFO and selected Dockside Monitoring Companies (DMCs). In addition the Team observed the dockside monitoring of over 50 catch landings at 20 different sites.

A copy of the Terms of Reference for this review can be found in Appendix A.

3.0 OBSERVATIONS AND RECOMMENDATIONS

3.1 ACCURACY AND TIMELINESS OF DMP DATA

3.1.1 OVERVIEW

This section addresses the accuracy and timeliness of the DMP data itself. The term accuracy relates to the accuracy of the data as recorded by the Dockside Observers (DOs) and made available through the Dockside Monitoring Companies (DMCs) to DFO for analysis. There are two categories of DMP derived data.

The first can best be described as “primary” DMP data because the data relates to the primary objective of the program, that is to provide accurate, timely data on fish landings. Data such as vessel and captain’s name, species of fish and landed weight are examples of primary DMP data.

A secondary category of DMP data are internal control data that are useful in monitoring the integrity of the DMP itself as well as being useful from a C&P enforcement perspective. Data such as estimated catch weight, time a vessel left port to fish (hail-out), estimated time of return to port (hail-in) and DO name are examples of internal DMP control data.

The Review Team focused on the integrity of the process to record primary DMP data. However, observations are made where key internal control data are not available or not effectively utilized.

3.1.2 ACCURACY OF DATA

The overall process whereby primary DMP data is recorded by Dockside Observers, processed by Dockside Monitoring Companies and made available to DFO was found to be well managed.

In all regions but Newfoundland, the DMP Tally Sheets and corresponding vessel logs are sent by the Dockside Observers (DOs) to the Dockside Monitoring Companies (DMCs). In Newfoundland, the vessel logs are not collected by the DOs but are mailed by the vessel captains to DFO. There can be delays of several weeks before the logs are received by DFO and several more weeks before the log data is entered into the DFO database. In the Gulf Region, the DMCs forward the log entries to DFO where there can also be delays of several weeks before the log data is entered into the DFO database. In the Maritimes and Quebec Regions, the log data is entered into the DFO data base at the same time that DMP data is entered. In the Pacific Region, log data is batched and normally entered into the DFO data base on a weekly basis. The delays in processing vessel logs could be significantly reduced if the Newfoundland and Gulf Regions adopted the same procedures for processing logs as exists in the other regions.

Vessel log data, entered by vessel captains, contains data on the types of species caught, location and depth of water where the species were caught and estimated weight of catch by species. This data is not critical to the DMP, however, all regions electronically match the landings as

recorded by DOs with the landings as separately recorded in vessel logs or hail data to ensure all landings can be accounted for.

The Review Team examined a sample of DMP data entry documents in all regions. As all regions do not have similar methods of maintaining their documentation, the Review Team used different methods of sampling data files. In all regions, however, the sampling of data was sufficiently comprehensive to enable the Review Team to provide an objective opinion as to its accuracy. The sampling consisted of comparing the original data as recorded by the DOs with the data that was input by DMCs into DFO systems. Most of the DFO staff interviewed expressed satisfaction with the primary data provided by the DMP to support departmental scientific analysis and resource management. The common expression heard was; “the data is so much better than before DMP”. The Review Team can provide reasonable assurance that the data entry processes for primary DMP data are rigorous and result in an accurate transposition of data from source DMP Tally Sheets into DFO databases.

The only significant anomaly found during the review of DMP data records was in the Gulf Region. The Review Team’s examination of data entry documents for herring purse seine in the Gulf Region revealed that the actual landing weights as verified by DOs, were often significantly less than the weights reported on sales slips or the estimated catch weights provided by fishers prior to landing. This problem was traced to the difficulties in obtaining accurate landing weights using the volumetric dipping method used to determine the weight of herring catches. Subsequent investigation revealed that the other DFO regions also have experienced difficulties obtaining accurate weights using the dipping method. In the spring of 2001, the Gulf Region changed the procedures for dockside monitoring to include a second confirmation of weight based on the volume of containers into which the herring is off-loaded.

3.1.3 TIMELINESS OF DATA

The primary DMP data, as collected by Dockside Observers and made available to DFO was found to be provided in a timely manner.

In all regions, DMP Tally Sheets, as completed by Dockside Observers (DOs), are generally either dropped off by DOs at the offices of the Dockside Monitoring Companies (DMCs) or faxed to the DMCs. Within 24 to 48 hours of receiving landing data, the data is electronically entered by the DMCs directly into databases and are available to DFO. In the Maritimes Region, some DMP Tally Sheets and log book documents are mailed by the DOs to the DMCs. In the Newfoundland Region, the bulk of the DMP Tally Sheets are mailed. In the Newfoundland and Maritimes Regions, where documents are mailed, it may take five to six days before the data is entered in a DFO database by a DMC.

In the Maritimes Region, delays in having access to DMP weigh-out data is not considered problematic for DFO, unless a quota limit is approaching in a competitive fishery. In these situations, the DMCs are asked to expedite the process of gathering and entering catch data into the system. This approach is generally successful in making critical catch data available in sufficient time for Resource Management (RM) to make informed decisions on closings. In addition, virtually all vessels landing fish under the DMP in the Maritimes Region are required to

hail-in their estimated catch weight by species. This data is entered by the DMCs into a DFO data base within a half hour of receiving a hail-in. Estimated catch weight is generally very close to actual landed weight. RM authorities can make time critical resource management decisions, such as closings, on the basis of the very current data available in the Hail-in system.

In Newfoundland, because most DMP data is mailed by DOs to the DMCs, the delay of several days before data is available from this source can be more significant than in the Maritimes Region, where a smaller percentage of the documents are mailed. In addition, the primary DMC in the Newfoundland Region does not operate an automated hail-in system whereby estimated catch weights could be readily available. To overcome these factors, the Region has implemented a process whereby “Express Summary Forms” of landed weights by species are prepared daily by the DMCs based on data faxed or telephoned in by the DOs. These summary forms do not contain detailed information pertaining to individual vessels. The “Express Summary Forms” are then faxed to DFO daily by the DMC. Summary information on total catch by species is entered into a DFO database by DFO staff. This daily summary data on actual landed weight by species has proven to be sufficient in meeting the Newfoundland Region’s requirements for overall quota monitoring and scientific analysis. The process is however somewhat labour intensive for the DMC.

From our interviews with DFO users of DMP related data, all regions indicated a high level of satisfaction with the timeliness of DMP primary data.

3.1.4 USE OF NEW TECHNOLOGIES

A pilot project is currently underway in the Quebec Region using hand-held data entry devices. Using this process, data is electronically captured once by DOs and entered directly into the DFO regional database. The Quebec Region is funding this pilot project via a sole source contract to one of the three DMCs in the Region. The cost of this project is approximately \$28,000. The project has been funded by the office of the Director General, Program, Planning and Coordination. Archipelago Marine Research Inc, the largest DMC in the Pacific Region, is also investigating the potential benefits in hand-held technology for the entry of DMP data by DOs. Archipelago was not aware of the DFO funded pilot project in the Quebec Region.

The results of this pilot project are not yet available. DFO will have to be assured that any use of new technology in support of DMP data collection will provide the same, or better levels of data accuracy as currently exists.

The Quebec Region’s At Sea Observer Program uses an Interactive Voice Recognition (IVR) system to enable a licence holder to register a hail-out with the company contracted by DFO to provide at sea observers. This approach frees the company from spending resources taking telephone calls from licence holders. DFO’s Newfoundland Region, is reviewing this system to see if it has application for DMP hail-outs and hail-ins.

It may be proven that this hand-held data entry and IVR technology will provide efficiencies of operations to DMCs, however, given that the current DMP data entry processes and turnaround time generally meet the requirements of DFO, the benefits of acquiring new technologies to the

Department would be marginal. It may be more appropriate for DFO to help coordinate the efforts of DMCs to improve the efficiency of data collection techniques rather than to directly fund these initiatives.

Recommendation:

- 1. The ADM, Fisheries Management, should ensure that strategies are developed to enable DFO to act as a coordinating agent in assisting Dockside Monitoring Companies to develop and implement technologies that will improve their efficiency in carrying out DMP functions. The direct funding by DFO of technology development for use by Dockside Monitoring Companies should be restricted to applications that will improve the effectiveness of the DMP and further the objectives of the Department.***

3.2 ROLES AND RESPONSIBILITIES

The coordination of the DMP by DFO is generally inconsistent and often not adequately resourced to be effective. Resource Management in several regions has assumed the lead role for DMP. There is a general lack of planned, structured involvement of Fishery Officers in the monitoring of the DMP at the field level. Where RM is the primary regional coordinator for the DMP, this lack of C&P involvement is even more pronounced.

For the DMP to succeed, all stakeholders and participants must be aware of their roles and responsibilities and held accountable for them. The primary external participants and stakeholders are the fish licence holders, Dockside Monitoring Companies (DMCs), Dockside Observers (DOs), buyers and the Canadian General Standards Board (CGSB).

3.2.1 EXTERNAL PARTICIPANTS AND STAKEHOLDERS

The roles and responsibilities of fish licence holders, DMCs and DOs are generally clear because they are set out in the conditions of licence for the fishers and the documents of designation for DMCs and DOs.

The role of the **CGSB** is also quite clear. The role was created by DFO as part of the DMC designation process. The CGSB's role is to administer a "Listing Program" for DMCs based on adherence to the Quality Control System referenced in the amendments to the Fishery (General) Regulations of June 1999. (Note, the Pacific Region has not adopted the DMC designation process with its associated CGSB administered Listing Program. This issue will be addressed in Section 3.3, Designation of Dockside Monitoring Companies.) The CGSB's main responsibilities are two fold:

1. To determine whether a DMC's Quality System initially meets the DMP Quality System Standard.

The responsibility is addressed during the initial audit whereby, CGSB verifies the suitability of a DMC's Quality System Standards Manual and verifies compliance with procedures through an on-site audit. When a DMC's Quality System meets the Quality

System Standards, CGSB will issue a listing number to the DMC. DFO requires that a prospective DMC have a CGSB listing number in order to be considered for designation.

2. To conduct annual Quality System audits of the Quality System of Dockside Monitoring Companies (DMCs) to verify continued compliance.

The Canada General Standards Board's (CGSB's) work is performed on a contract basis for DFO. On an ongoing basis, the annual planned budget for this service is \$50,000, however, over the first two years of this contract, the actual annual expenditure has been approximately \$75,000. This additional cost is attributed to the added involvement of the CGSB in assisting existing DMCs in meeting the Quality System requirements.

The roles and responsibilities of **buyers** are also relatively clear, however DFO has little direct regulatory control over their actions compared to those of fishers, DMCs and Dockside Observers (DOs). The key responsibilities of buyers are: to ensure the scales used to weigh catch are accurate; to cooperate in ensuring that a direct line-of-sight is maintained between weigh-scales and off-loading vessels; to ensure that DOs have access to the scales to verify the weights; and to submit copies of the sales slips to DFO.

To improve communication and working relationships with buyers as well as other industry stakeholders in the DMP, the Newfoundland Region is creating an Industry Consultation Committee, made up of members who represent fish processors/buyers, fishing associations and DMCs. Representatives from the Province of Newfoundland will also be included since provincial legislation governs many aspects of fish processor's operations. All DMP regions would benefit from this form of formal communications mechanism to help ensure key DMP stakeholders, external to the Department can readily input to issues that arise.

3.2.2 DFO PARTICIPANTS

Overview

Within DFO, the primary participants in the DMP are **Conservation and Protection (C&P), Resource Management (RM), Policy and Economics, and Science**. In all but the Pacific Region, the **Statistics Unit of the Policy and Economics Branch** is clearly charged with the responsibility for ensuring that the data derived from the DMP is accurately captured and stored in a data base that is readily accessible to DFO staff. In the Pacific Region, the Shellfish Data Unit of the Science Branch, undertakes this function. In all regions, these units were found by the Review Team to be effective in carrying out their role in support of the DMP. The **Science** organization is a key user of data from DMP and provides input pertaining to the decisions on species to be covered by the program. The **Resource Management** organization is also a prime user of DMP information as input in establishing resource management strategies and in determining the scope of the DMP as defined in the Conditions of Licence of fishers.

The **Conservation and Protection** organization has a key role to monitor the activities related to the DMP at the field level. This responsibility appears quite clearly understood by C&P management, however it is not as clearly understood by Fishery Officers, nor has management

developed effective strategies to engage Fishery Officers to assume this role. This issue pertaining to the lack of C&P monitoring of the DMP is addressed in detail in Section, 3.6, “Ongoing Monitoring of the Dockside Monitoring Program”.

Regional Coordination of the DMP

In addition to the C&P responsibility for monitoring the DMP, C&P is increasingly involved in the overall coordination and administration of the Program. Resource Management also has assumed a DMP coordination role in several regions. The degree and nature of the involvement of these two organizations in DMP coordination varies from region to region. The potential involvement of both these organizations has created a certain degree of ambiguity around this coordination function which has tended to sub-optimize overall DMP effectiveness.

The key activities associated with the coordination of the DMP at the regional level are:

- liaising with the DMCs in the Region on new program requirements and issues that arise;
- ensuring that an adequate program is in place to monitor DMP operations;
- liaising with fishers, buyers and processors on DMP requirements and issues;
- administering the designation and re-designation of DMCs and DOs;
- analyzing DMP derived data to identify potential issues or problems pertaining to DMP operations and conveying the results of this analysis to C&P field offices for appropriate action; and,
- coordinating the input of all DFO stakeholders to the DMP, including acting as Secretary for the Regional DMP Working Group.

An objective of all regions is to administer and coordinate the DMP in a shared, cooperative manner, with each DFO organization appropriately involved. To facilitate this, the Maritimes Region have created DFO DMP Working Groups, with membership from RM, C&P, Policy and Economics, and Science. The Newfoundland Region has also created an internal DFO DMP Working Group, which includes representatives from C&P, RM and Policy and Economics; however, it does not include any representation from Science. The Pacific, Quebec and Gulf Regions have not to date established DMP Working Groups made up of all DFO stakeholders. These working groups have the potential of being effective in allowing all DFO stakeholders to have input to DMP related issues. They are not, however, effective instruments to coordinate DMP on an ongoing basis.

The Maritimes and Newfoundland Regions officially view coordination of the DMP as being a “Team” responsibility of all regional stakeholders, with Resource Management (RM) and C&P having primary involvement, however, it is the opinion of the Review Team that coordination of a program such as the DMP requires a formally acknowledged focal point to be effective.

Even though not formally recognized by the Maritimes and Newfoundland Regions there is, in practice, a de facto program focus for the office of principal DMP responsibility and accountability in each region. In the Maritimes Region, day-to-day responsibility for the DMP coordination lies within RM. In Newfoundland it rests with the C&P organization. In the Gulf

Region, the responsibility for DMP coordination was officially transferred from RM to C&P on April 1, 2001. The responsibility formally resides in the RM organization in both the Quebec and Pacific Regions. The Pacific Region is considering the transfer of DMP coordination from RM to C&P, however to date no specific action has been taken in this regard.

In the Newfoundland, Quebec and Pacific Regions, the DMP is coordinated by staff on a part-time basis. In the Gulf Region, the function is the full-time responsibility of a regional C&P staff member. In the Maritimes Region, a senior RM staff member devotes approximately 25% of her time to DMP coordination, with a full-time support person also assigned to the function.

In the Newfoundland, Quebec and Pacific Regions the DMP coordination function has not been adequately resourced to ensure that regional coordination is effective. It should be acknowledged, however, that those involved in the regional coordination of the DMP in these regions have made valuable contributions to the development of the program despite the fact they do not have sufficient time nor resources to devote to it.

DMP is basically an operational program with a focus on the monitoring and recording of fish catches via the monitoring of the fish landings of licenced fishers. The pervasive field presence of the C&P organization throughout the regions puts it in an ideal position to deal with fishers, buyers, DMCs and DOs on most aspects of the DMP. To focus the regional coordination of the DMP in C&P facilitates the involvement of **Fishery Officers** in the field in support of the DMP. The active involvement of Fishery Officers in the DMP is integral to ensuring the integrity of the Program. Currently, however, there is a general lack of planned, structured involvement of C&P Fishery Officers, in the monitoring of the DMP at the field level. Where RM is the primary regional coordinator for the DMP, this lack of C&P involvement is even more pronounced.

In addition to its field presence, the C&P organization, currently manages the contracts associated with the At Sea Observer Program as well as the Air Surveillance Program. The only exception to this is that Resource Management manages the At Sea Observer Program in the Pacific Region. Important opportunities to integrate aspects of the DMP with these programs are diminished when the regional coordination of these three key monitoring programs is not organizationally linked. The C&P organization, because of its field presence and its coordination role of the other monitoring initiatives is in the best position to perform the regional coordination role for the DMP.

The Gulf Region, by formally transferring the responsibilities of DMP from RM to C&P, has recognized that other DFO organizations have significant roles to play in support of the DMP however C&P is best suited to coordinate the program on behalf of DFO.

Given the complexity and significance of the DMP, it is the opinion of the Review Team that, as a minimum, a *full-time* coordinator from the C&P organization is required to coordinate the DMP at the regional level.

National Coordination of the DMP

Up until January 2001, the RM organization in DFO Headquarters had the responsibility for the coordination of the DMP from a national perspective. As of January, this coordination role has been split between RM and C&P. A senior manager in RM and another senior manager in C&P undertake the national coordination role. The responsibility for national DMP coordination has been assigned in addition to the regular duties of these two officers; no additional support staff have been assigned. Overall there has been a lack of effective national coordination of the DMP. There are significant variations in how the DMP operates in each DFO Region. Best practices in one region have not historically been readily shared with the others.

The tasks associated with the effective coordination of the DMP nationally are not insignificant. To effectively provide national coordination of the DMP adequate resources should be assigned to the task. In addition, the focus for the coordination of the DMP nationally would be most effective if it was in the C&P organization, thereby facilitating the more active involvement of regional C&P in supporting the DMP.

Recommendations:

- 2. The Directors General of Pacific, Gulf, Quebec and Newfoundland Regions should ensure that a DMP Working Group is established to address all DMP related issues in the Region. This group would be made up of representatives from all DFO organizations that are stakeholders in the DMP.***
- 3. The Directors of Fisheries Management in all DMP regions should ensure that a DMP Industry Consultation Committee is established to provide a regular opportunity for all DMP industry stakeholders to be consulted on program changes, issues and concerns.***
- 4. The Directors of Fisheries Management in the Newfoundland, Maritimes, Quebec and Pacific Regions should assign the responsibility for DMP to a full-time coordinator from the Conservation and Protection organization in their respective regions.***
- 5. The Director of Fisheries Management in the Pacific Region should transfer the coordination responsibility for the At Sea Observer Program to the Conservation and Protection organization in order to maximize integration opportunities with the DMP.***
- 6. The ADM, Fisheries Management, should assign the responsibility for the national coordination of the DMP to the Conservation and Protection Branch of Headquarters and ensure adequate resources are dedicated to this function in order that it is effectively carried out.***

3.3 Designation of Dockside Monitoring Companies

All DMCs in Pacific Region and two Dockside Monitoring Companies in Newfoundland Region are currently operating without being designated under Section 39.1 of the Fishery (General) Regulations.

Designation criteria and standards pertaining to the business plan and financial statements of Dockside Monitoring Companies are not clear and are subject to interpretations.

3.3.1 OVERVIEW

Even though dockside monitoring can be considered a private business related matter between the fishers and the DMCs; DFO has a significant role to play in ensuring the integrity of the Program. Prior to 1999, DFO had no regulatory authority to hold the Dockside Monitoring Companies (DMCs) accountable for the quality of services delivered. Pacific Region was the only exception, since it managed and continues to manage the DMP under commercial contract agreements with the DMCs operating in the Region.

Amendments to the Fishery (General) Regulations were made in June 1999 that allowed DFO to hold DMCs responsible for their performance and the performance of the individual Dockside Observers (DOs). These amendments were aimed at improving the quality, credibility and integrity of the DMP.

Section 39.1 of the Fishery (General) Regulations states that a DFO Regional Director General may designate DMCs. To be eligible for designation DMCs must submit:

- (a) a description of a program that is capable of accurately collecting and compiling information obtained by individual observers in the course of their duties and that includes:
 - i. a business plan for the corporation that describes the organization, its human resources and its plan of operations;
 - ii. a plan for the training and independent examination of individuals who will be designated as observers, and for the supervision of those observers;
 - iii. a quality control system for ensuring the integrity of the information collected and compiled.
- (b) a statement that discloses all conflicts of interest that the corporation or any of its directors, officers or employees may have with the fishing industry, and that explains how those conflicts are to be resolved; and
- (c) evidence of the corporation's financial viability, or a performance bond guaranteeing three months of operation.

The designation is valid for 12 months for the first and second designation and 24 months for any subsequent designation.

Section 39.1 (3) of the Fishery (General) Regulations gives DFO the authority to revoke the designation of a DMC if the company:

- (a) falsifies any information transmitted in the course of its duties or fails to perform those duties; or
- (b) fails to maintain the performance bond submitted under paragraph (1) (c).

The application of Section 39.1, especially as it pertains to the requirements for DMCs to meet rigid Quality System Standards, has succeeded in generally improving all aspects of DMC operations and thereby has provided greater assurance that the integrity of the DMP can be consistently maintained. Currently, there are five DMCs operating in Maritimes, five in Gulf, three in Newfoundland, three in Quebec and three in the Pacific Region. Some DMCs operate in more than one DFO Region. The total number of DMCs operating in Canada is 17.

3.3.2 REGULATION APPLICATION

The procedures used in designating DMCs are similar for all regions except the Pacific Region. The documents and information required are generally the same. The Review Team examined a sample of the files containing the documents, which were submitted to DFO by DMCs to support their request for designation. This file examination determined there is a wide range in the quality and detail of information submitted to support DMC designation. Usually the larger the DMC, the more substantive and complete the information provided.

In examining the files, the Review Team observed that the criteria and standards used are not sufficiently clear to distinguish those DMCs that meet the requirements from those that are questionable. This is particularly true for parts of designation submissions describing financial viability. In many cases, as little as a declaration from the DMC's own bookkeeper indicating that the company is financially sound or from the company's banker certifying that the company credit is satisfactory, is often considered as an acceptable indication of financial viability. Financial statements of the DMCs or certification from an accredited public accountant were not found on the files nor any instances where, in the absence such certification of financial viability, were performance bonds, equivalent to three months operation, ever demanded by DFO. The majority of the DMC files reviewed by the Review Team were from companies that were already in operation when the new requirements of Section 39.1 became effective. It may not have been deemed as critical to demand formal documented evidence of financial viability, given these companies were already successfully operating as DMCs. For new DMC applicants, however, it is important that all requirements for designation be clear and well understood by both prospective DMC management and the DFO staff who will be evaluating their applications.

There are several DMCs that have been re-designated after their initial designation. There are no formal DFO policies or guidelines as to what is required from DMCs that request re-designation. The inference is that the requirements of the original designation must continue to be met. As a minimum it would be reasonable to require that a DMC requesting re-designation, be required to re-submit a conflict of interest declaration that could be verified by DFO officials.

There is generally more consistency in the quality of the submissions as they pertain to training plans, human resources plans, conflict of interest/arm's length requirements and Quality System Standards. However, the current conflict of interest requirements intended to minimize potential DMC ownership/management conflicts of interest with the fishing industry, are not effective in

practice. For example, a situation exists where the legally registered owner of a designated DMC is the wife of an active fisher who has his catch monitored by this same DMC. On the surface this appears to be a “non-arms length” relationship, however according to legal interpretation, because the fisher, his wife and the incorporated DMC are all separate legal entities, there is no conflict of interest based solely on the existence of this relationship. To date, there have been no allegations or evidence that this relationship has resulted in any practices that would be detrimental to the integrity of the DMP. Given the Canadian laws pertaining to individual rights and freedoms, the attempts in Section 39.1 to minimize the potential for conflicts of interest in the ownership and management of DMCs, provide, in practice, only a modicum of assurance that conflicts of interest do not exist.

3.3.3 NON CONFORMANCE

All DMCs have received designations except for those in Pacific Region and two DMCs operating in the Newfoundland Region. One of the non-designated DMCs in Newfoundland is the largest in the Region, providing over 95% of all dockside monitoring services. This DMC has not been designated primarily because it does not meet the arms length criteria requiring that over 50% of the members of the Board of Directors be persons not associated with the fishing industry. The DMC therefore does not meet the conflict of interest stipulations of the regulations. Without being formally designated, DFO can not legally hold the DMC accountable for its performance. This issue has been a long-standing one and there appears to have been no meaningful progress made by the DMC to submit the information required for designation under Section 39.1. It is not clear what options the Region will pursue if this DMC continues refusing to take the steps necessary to be formally designated.

The second non-designated DMC operating in Newfoundland is a very small company with only four employees. It is the position of this company that it is not economically viable for it to meet the rigorous documentation requirements associated with the establishment and maintenance of a Quality System Manual and associated practices that could be audited by the CGSB. The company claims it adheres to all the operational policy and guidelines outlined in the Atlantic Dockside Monitoring Policies and Procedures document, however it has never been audited by CGSB and therefore, based on this fact alone, does not meet the designation requirements for DMCs. Section 39.1 does not allow for any form of full or partial exemption from designation requirements based on size of company operations.

The Pacific Region never adopted the designation regime, stipulated by Section 39.1 of the Fishery (General) Regulations. At the time 39.1 was enacted, the Pacific Region had in place a process whereby DFO was a party to contracts with DMCs to provide dockside monitoring services for specified species of fish. However many of the requirements set forth under 39.1 and associated DFO policies, were in fact covered under the conditions of the contracts.

Where DFO is a party to dockside-monitoring contracts, the Department pays a nominal sum of \$10.00 in “consideration” and the fishers pay DMCs directly for dockside monitoring services. This is similar to the approach currently in place nationally whereby DFO contracts for a company to make “At Sea Observer” services available in a particular region or regions and pays for all associated administrative costs of the contract. Fishers enter into separate contracts with

the same At Sea Observer companies for the provision of observer services to their vessels. This DFO contract approach to the provision of services to fishers has provided mechanisms to the Department to ensure that key program requirements are met by the contracted companies. The awarding of exclusive contracts for the provision of services also creates economies of scale for the successful bidders, resulting in the provision of more cost-effective services to fishers.

Increasingly, DFO in the Pacific Region has ceased to be a party to these contracts for dockside monitoring services. Instead, fishing associations are contracting directly with companies providing dockside monitoring services. Currently, DFO is a party to two of the DMC contracts in the Pacific. Two other contracts for DMC services are directly between the fishing industry and the DMCs. The Region has provided advice to fishing associations as they initially develop the terms of these contracts but is not party to them.

Where DFO is not a party to a contract, it can not stipulate what terms and conditions go into a contract. There is therefore no guarantee that contracts between DMCs and fishing associations will meet the criteria set forth in Section 39.1, or that even if they do at the outset, that the parties will not subsequently amend these conditions.

In the eastern DMP regions, DMCs will bid on contracts to provide exclusive dockside monitoring services to members of an association. However, only DMCs that have been designated by DFO are eligible to bid on these contracts. DFO therefore has some assurance that the DMC providing services to an association will provide a quality service meeting the requirements as set forth in Section 39.1 and its supporting policies. This single supplier approach only works where there is a strong, cohesive association that represents most fishers who fish the species covered by the association. Without a cohesive association, a group of fishers may contract with another DMC for the provision of dockside monitoring services, rendering the exclusive nature of the contract unenforceable. The groundfish fishery in the Pacific Region remains one of the few where no cohesive association has emerged. This fishery is one where DFO remains a party to the contract for DMC services.

Even though the stipulations of contracts with DMCs in the Pacific Region result in compliance with many of the requirements of Section 39.1, the DMCs in this Region still fall short of full compliance. To comply with Section 39.1, the Pacific Region will have to ensure that all companies wishing to operate as DMCs are officially designated and therefore meet all the requirements of designation as prescribed by Section 39.1, most notably the adherence to QS Standards and the CGSB auditing of DMC processes in accordance with these standards.

Recommendations:

- 7. The Director General of the Newfoundland Region should ensure that the Dockside Monitoring Companies currently operating without being designated, fully comply with Section 39.1 of the Fishery (General) Regulations.***
- 8. The Director General of the Pacific Region Pacific should ensure that the Dockside Monitoring Program in the Pacific Region incorporates the designation process described in Section 39.1 of the Fishery (General) Regulations.***

9. *The ADM of Fisheries Management should re-enforce the application of the policy requirements for the designation of new Dockside Monitoring Companies as they pertain to financial viability as well as clarify the requirements for a Dockside Monitoring Company requesting re-designation.*

3.4 DESIGNATION OF DOCKSIDE OBSERVERS

The policy requirements pertaining to the designation of Dockside Observers are not sufficiently comprehensive, nor sufficiently verified to provide reasonable assurance that DOs meet the requirements necessary to perform the Dockside Observer function. This includes areas such as training, examinations and background checks.

In accordance with Section 39 of the Fishery (General) Regulations, the Regional Director General may designate as an observer any individual who is qualified and trained to carry out the necessary duties. It is currently the responsibility of the Dockside Monitoring Company (DMC) to provide documented evidence that candidates for designation as observers meet the necessary requirements. Among the requirements are:

- the individual does not hold a certificate of accreditation issued under the *Professional Fish Harvesters Act*;
- does not purchase fish for the purpose of resale; and
- is not the owner, operator, manager or employee of an enterprise that catches, cultures, processes or transports fish.

In addition to the regulatory requirements stated above, DFO policy requires that all prospective Dockside Observers (DOs) have a high school diploma or equivalent experience; are Canadian citizens or have landed immigrant status; can obtain a certificate of Conduct from a police agency; and are confirmed to have no past convictions under the *Fisheries Act*. Security clearances, processed through the DFO Security Branch sometimes take several months to obtain. Most regions will grant a DO full designation without receipt of a final security clearance, reserving the right to withdraw the designation should clearance not be ultimately received. The Quebec Region requires that prospective DOs obtain a certificate of conduct from the Quebec Provincial Police as part of their application package.

In the Newfoundland, Maritimes, Gulf and Quebec Regions detailed policy requirements are in place which cover the above requirements for DO designation. In the Pacific Region, the essence of most of these policy requirements are contained in the Request For Proposal and the ensuing contract conditions governing the operation of Pacific Region DMCs. The Pacific Region also requires that all DOs be formally designated by the RDG.

In most regions, the responsibility for administering the background checks on prospective DOs lies with the DFO organization that takes the lead role in coordinating the DMP in the region. Where this resides in Resource Management (RM), as is the case in Maritimes, Quebec and Pacific, the C&P organization is asked to carry out the check for *Fishery Act* violations. C&P

must perform this check since it is the only DFO organization with access to the Departmental Violations System (DVS).

The Review Team undertook to confirm whether any designated DOs had a current fish harvester's licence. In the Maritimes, Gulf and Quebec Regions, none of the DOs was found to have a licence. In the Newfoundland Region we observed that 2 out of 300 dockside observers were in possession of a commercial sealing licence. In the Pacific Region, a check of the licensing system is not part of the background check of prospective DOs. One in 30 of the Pacific Region DOs checked by the Review Team was found to have a commercial fishing licence.

Designation of a DO is for an initial period of six months. All subsequent designations or re-designations are for a period of 36 months. None of the DFO Regions verifies the continuing eligibility of DOs who are submitted for re-designation. For example, there is no check of whether the DO had obtained a fishing licence since he or she was originally designated.

After all the background check requirements have been met, prospective DOs must undergo training that is provided by the DMCs. DMCs are responsible for training DOs in their employ, including all costs associated with this training. The primary function of the training program is to ensure that DOs meet the operational requirements of the Program. In the Newfoundland, Maritimes, Gulf and Quebec Regions, these requirements are set out in the Atlantic Region DMP Policies and Procedures document. The Atlantic Region DMP Policies and Procedures document also sets out the required areas of training that the DOs must cover, as well as the amount of time that should be spent on each subject area. The total minimum time for training is established at 56 hours. The length of a training program is important because it ensures that subject areas are covered in sufficient depth to provide students with a solid, long lasting grasp of the subject, not merely sufficient knowledge to pass a test. There are no policies or guidelines that stipulate what training or experience someone must have in order to be qualified to teach a DO course.

Even though, the Atlantic Region DMP Policy and Procedures document identifies a minimum course length of 56 hours prior to DO designation, the Review Team observed a situation in the Gulf Region where the DOs of a newly designated DMC were designated after having received only 34 hours of training. Most of these DOs passed the DMP exam, however, in all likelihood their understanding of the course material was not as comprehensive as would have been the case had they received the required additional 22 hours of training. There appears to have been insufficient analysis and investigation into the designation of these DOs by regional DFO staff.

In the Pacific Region, the specific requirements for DO training are covered in the Request For Proposal and associated contract that governs the operations of DMCs in the Pacific. An examination of the training requirements set forth in Pacific Region DMC contracts reveals that the requirements appear to be as comprehensive as those in use in the other DFO regions. However, there are no requirements set forth in the Pacific Region which dictate the length of the DO course. DMC officials interviewed in the Pacific Region, stated that their DO courses tended to be approximately 52 hours in length, with a combination of classroom and field training. This course length is close to the course length requirements set forth in the Atlantic Region DMP Policies and Procedures document.

Initial DO training normally takes place once per year, usually in the slowest part of the fishing season. This allows a DMC to create reasonable sized classes of new prospective DOs. There are occasional requirements to hire new DOs in mid season to fill unexpected vacancies or meet higher demands for service. In these situations, it is not usually feasible for a DMC to run a DO course for one or two potential DOs. Also due to frequent delays in securing security clearances, it may not be possible to obtain a clearance for a new DO to enable him/her to be designated in time to be employed during the primary fishing season.

To accommodate this, the Newfoundland and Gulf Regions will allow a “temporary designation” status for DOs, who have not been formally trained to assume the full responsibilities of a fully designated DO. This temporary designation is for a 90-day period. A temporary DO usually works with an experienced DO for several DMP landings to gain experience in the process. There are, however, no DFO policies or guidelines which recognize the creation of a “Temporary DO” status nor anything that stipulates a minimum standard of on-the-job training or minimum competency for temporarily designated DOs. There is little assurance that temporarily designated DOs are capable of adequately performing the duties of a DO.

In the Pacific Region, temporarily designated DOs work with experienced DOs in a structured on-the-job training program. These temporary DOs are not allowed to perform the duties of a DO on their own until they have gained sufficient knowledge to pass the DO examination. Their formal designation is granted once they have their security clearance. The Maritimes and Quebec Regions do not have a Temporary Designation status. In these two regions, anyone who works as a DO must be fully designated.

The culmination of the DO training provided by the DMCs is an exam on which the prospective DO must achieve a minimum 75% rating in order to be considered for designation by DFO. Once approved by DFO, the same exam could be used for several years by a DMC. There is no requirement for a DMC to create multiple exam versions to help ensure the fairness of the exam process. There is a requirement that these exams be administered by a third party adjudicator to ensure the integrity of the examination process. Fishery Officers are often called upon to perform this function for DMCs. The Review Team found that this independent adjudication has never been the practice in the Pacific Region and has not been the practice over the past year in the largest DMC operating in the Newfoundland Region. The exams themselves are marked by the DMCs, with the marked copy of the exam sent to DFO as a form of proof that a DO candidate has received the required 75% for designation.

The Newfoundland Region has created a draft proposal to amend the current DMP examination policy to require that all DO exams be administered by a DFO approved third party adjudicator who would also mark the exams. In addition, the exams themselves would be created by DFO in multiple versions and provided to the third party adjudicators on a random basis, thereby enhancing the overall fairness and objectivity of the process. This approach would provide greater assurance that prospective DOs meet the knowledge requirements necessary for designation.

Once a DO has been designated by DFO, they should receive an official DFO DO Identity Card. These cards are worn by DOs to clearly identify them as observers. The Pacific Region is the only region that does not regularly issue DO identity cards to designated DOs. Instead, DOs are provided with a memorandum from the Department, listing the names of DOs who have been designated. Some DMCs have created their own identification cards for their DOs. This lack of official departmental recognition of DOs potentially undermines the credibility of the DMP.

Once the DOs receive their initial training and have been designated, there is no formal requirement for them to take additional training. With changes in the fisheries and to conditions of licence, it would be appropriate for DOs to receive updates to their training. Some DMCs have periodically provided pre-season briefings to their DOs. For example, in the spring of 2001, the largest DMC in the Newfoundland Region undertook a one-day refresher training program for all its DOs who had not attended any formal DMP training for over eight years. The requirement for refresher training was acknowledged by all DMP stakeholders interviewed. However, there are no DFO policies to provide direction to DMCs as to what form or frequency refresher training should be carried out.

There is a requirement for DOs to conduct at least five off-loadings in a preceding twelve-month period in order to be eligible for re-designation. At present, only the Maritimes Region systematically monitors this requirement, the other regions rely exclusively on the DMCs to undertake this monitoring. With information that could readily be available, the DMP coordinators in each region could confirm that this requirement has been met.

There are many functions that must be performed by DOs. All are important, however some are more critical than others in ensuring the integrity of the DMP. The Atlantic Region Dockside Monitoring Program Policies and Procedures document does not clearly state what lapses in performance would automatically lead to warnings, temporary suspensions or de-designation of a DO. The Newfoundland Region has developed a draft protocol, which addresses this issue. This protocol identifies Minor, Serious and Major infractions as well as the penalties that would accompany each. When warranted, de-designation and other less severe actions against DOs would be greatly facilitated if DO performance expectations and related penalties for non-performance are clearly defined and communicated to DOs.

Recommendations

10. The ADM of Fisheries Management should:

- ***Develop a national policy, which stipulates the minimum requirements necessary for someone to deliver training to Dockside Observers.***
- ***Amend the DMP policy to provide criteria and guidelines for mandatory Dockside Observer refresher training.***
- ***Evaluate for potential national application, the proposal developed by the Newfoundland Region to create multiple versions of Dockside Observer exams, adjudicated and marked by DFO approved examiners.***

- *Develop policies and criteria for training and accreditation of temporary Dockside Observers.*
 - *Develop a national protocol, which categorizes Dockside Observer performance lapses and infractions, and identifies DFO imposed penalties for each.*
- 11. The Director of Fisheries Management in the Pacific Region should ensure that the background checks of current and prospective Dockside Observers consistently include a check to verify they do not hold a commercial fishing licence.*
 - 12. The Director General of the Pacific Region should ensure that official DFO identification cards are issued to all designated Dockside Observers.*
 - 13. The DMP Regional Coordinators should ensure that the requirement for Dockside Observers to monitor at least five off-loadings in the previous twelve months in order to be considered for re-designation is applied.*
 - 14. The Director of Conservation and Protection in the Gulf Region should re-evaluate the skill and knowledge of the Dockside Observers who received only 32 hours of training to determine whether additional training is required.*
 - 15. The Directors of Fisheries Management in all DMP regions should ensure that an ongoing program is implemented to verify the continued eligibility of Dockside Observers.*

3.5 DOCKSIDE MONITORING PROGRAM PROCEDURES

3.5.1 OVERVIEW

There are inconsistencies and shortcomings in DMP procedures and the way they are carried out. Procedures are sometimes ignored or carried-out in a superficial manner.

Dockside monitoring procedures and reporting requirements are set forth in the Atlantic Region Dockside Monitoring Program Policies and Procedures document for the Newfoundland, Maritimes, Gulf and Quebec Regions and the contract requirements for Dockside Monitoring Companies in the Pacific Region. Several of these procedures are referenced as requirements in the Conditions of Licence of licence holders.

A number of differences in procedures exist among the regions and even within the same region. While there are legitimate reasons to account for some of the differences, many exist simply out of preference and tradition and often do not represent best practice.

There are specific procedures for licence holders/vessel captains, Dockside Observers (DOs), DMCs and Fishery Officers. While procedures can vary according to specific requirements of Conditions of Licence, such as hail-in requirements, the basic essential procedures are relatively

straightforward. The following are the basic, core DMP procedures for the key participants in the DMP:

- Licence holders/vessel captains under 100% DMP are, in most regions, required to: hail-out and to hail-in; to offload catch only in the presence of DOs; and to complete and sign all necessary dockside monitoring documents. Those licence holders operating under less than 100% DMP coverage are required to hail-in and report their estimated catch weight to a DMC.
- DMCs are responsible to: receive hail-out and hail-in information from licence holders; to deploy DOs to landing sites; to collect and to process dockside monitoring data in a timely manner; and to forward incident reports submitted by DOs to DFO.
- DOs are responsible for: verifying the completeness of vessel logs; ensuring that all fish are off-loaded and accurately weighed according to specific DMP protocols; reviewing and signing off the dockside monitoring documents; and reporting any anomalies to their DMC.
- C&P staff are responsible for monitoring compliance to internal DMP control procedures such as hails, for selectively monitoring dockside off-loadings, including the performance of DOs and for taking follow-up action on incidents reported by DMCs,

As part of the review of DMP procedures, the Review Team conducted on-site visits at 20 catch landing sites in all five DFO regions that have DMP. The Team observed, in part or in their entirety, 50 off-loadings. Generally the DOs observed by the Review Team were competent and performed their function according to approved procedures. There were however instances where significant breaches of protocol were observed. The following are the most significant:

- log book was not always obtained prior to off-loading;
- scales were not routinely checked prior to off-loading;
- scales and catch containers were not verified prior to weigh-in; and
- holds were not always checked at the completion of an off-load.

The issues noted in the above observations, as well as other DMP procedural issues and lapses are addressed below.

3.5.2 HAIL PROCEDURES

Overview

The DMP process whereby vessels notify a DMC that they are leaving port to fish (hail-out) and returning to port (hail-in) are key components of ensuring the integrity of the Program.

Requirements for hail-out and hail-in are inconsistent among the regions and even vary within the same region. During the review, several issues and problems were identified that weaken the Hail process and thereby increase the risk to the integrity of the DMP.

The following are the significant problem areas:

- hail-outs are not required for some vessels or fisheries;
- hail-ins are not required for some vessels or fisheries;
- hail-in times sometimes refer only to off load time and do not include landing time;
- hail-in of estimated weight is not included in the Conditions of Licence in the Gulf Region;
- hail-in of estimated catch weight is not provided by DMCs in Quebec Region even though it is included in condition of licence;
- hail-ins are sometimes reported to buyers instead of DMCs and may not subsequently be reported to DMCs;
- DOs are not always deployed when a vessel hails-in with no reported catch; and
- access to hail information is not always readily available to Fishery Officers.

Each of these is described further in the sub-sections below.

Hail-out Is Not Required

Hail-out is an important procedure to mitigate the risk that licenced vessels could conduct fishing activities in fishing areas other than in those designated under the fisher's Conditions of Licence. Specifically hail-outs:

- enhance the ability of Air Surveillance crews to determine more easily if a vessel is conducting fishing activities legally;
- facilitate effective and efficient DMC planning for workload and staff requirements;
- provide information to Fishery Officers to assist in the planning of monitoring activities; and
- assist in locating a vessel in a search and rescue scenario.

Hail-outs are normally given by fishers using reliable, land-based telecommunications equipment prior to embarking on a fishing trip. There are very few situations where it is technically impossible to contact a DMC to provide a hail-out. Given the above benefits associated with the hail-out procedure, and that hail-outs significantly contribute to maintaining the integrity of the DMP, there should be few situations where they are not required.

The Maritimes and Quebec Regions require virtually all fishing vessels, which come under the DMP to hail-out. The Pacific, Gulf and Newfoundland Regions, allow varying degrees of exemptions from the hail-out requirement. The following outline the nature of these exemptions and the stated rationale for their existence.

- There is no hail-out requirement for the majority of the fisheries in the Gulf Region. Only a few fisheries, under specified conditions, have hail-out requirements as a Condition of Licence. One reason offered as to why hail-outs were not more widely required is that many of the vessels in the Region must contact an At Sea Observer company prior to embarking on a fishing trip. The information pertaining to a vessel embarking on a trip is captured by the At Sea Observer company. However, this information is not integrated with the limited hail-out data captured by the DMCs. Without this integration, those interested in knowing what

vessels are out to sea, must contact both the DMC and the At Sea Observer company to obtain a more complete record of the trips in progress.

- There is no requirement to hail-out for inshore fisheries in the Straights of Georgia in Pacific Region. The rationale for this exemption appears to be that the trips are of relatively short duration and therefore the hail-in of an estimated return time would almost be synonymous with a hail-out. In practice, however, most trips to this area are over six hours in length, many can be several days in duration. The benefits associated with a hail-out practice far out weigh any inconvenience that may be experienced by a fisher engaged in trips of short duration.
- In the Newfoundland Region there is no hail-out requirement. A large percentage of the fishing vessels are small and engaged in trips of less than a day in duration. However, as referenced above for the Pacific Region's in-shore fishery, the benefits associated with the hail-out practice for even small vessels, far out weighs any inconvenience that may be experienced by a fisher engaged in trips of short duration.

Hail-in Is Not Required

The hail-in procedure is an essential tool to enable the C&P organization to monitor the fisheries. Information pertaining to arrival time in port is necessary in order to make risk-based decisions on monitoring and surveillance. It is also difficult to envision how a DMC could effectively and efficiently assign DOs to cover off-loadings without having information on vessel arrival/off-load times available to it.

All regions with the exception of Newfoundland require virtually all fishing vessels to hail-in to a DMC. The Newfoundland Region exempts all vessels under 35 feet based on the rationale that:

- smaller vessels do not have radios or cellular telephones on board that would allow them to hail-in; or
- there are several areas in the province where radio and cellular telephone communication to the DMC sites is poor.

This rationale is no longer entirely valid given the proliferation of cellular telephones that has occurred in the past few years as well as the greatly expanded cellular telephone access coverage throughout most parts of Newfoundland.

Hail-ins are vital to the effectiveness and integrity of the DMP. An exemption from the hail-in requirement is only reasonable where communication between a vessel and a DMC is not feasible utilizing current, widely available communication technology.

Hail-in Time Is For Offload – No Reference to Actual Landing Time

Under the Conditions of Licence, offloading of catch is not allowed without the presence of a DO. Thus, a DO is required only at the time when fish offloading takes place. When a vessel offloads its catches later than its landing time (from several hours to days), there is an increased risk of illegal offloading of catches without being detected. This problem is particularly serious for situations where estimated landing and offloading time are not provided separately at time of

hail-in. For example, in Pacific and Quebec Regions, licence holders only report offloading time with no required reference to the time of actual landing. In the northern New Brunswick area of the Gulf Region, DOs are deployed to a vessel at the time of landing to collect a copy of the log and make an initial inspection of the catch onboard. The DO returns when the vessel is ready to be off-loaded. The Review Team views this unique practice as an added assurance that all catch will ultimately be accounted for under the DMP.

As a minimum, Fishery Officers should have access to current information on actual landing times where off-loads are not scheduled to take place at the time of landing. In these situations, Fishery Officers can make a risk-based decision as to whether the vessel should be put under surveillance prior to off-loading.

Hail-in of Estimated Catch Weight Is Not Provided Nor Required In Some Regions

All fishers are required to enter the estimated weight of their catch in their vessel logs. The requirement to include estimated catch weight as part of hail-ins is clearly stated in Part II of the Atlantic Region Dockside Monitoring Program Policies and Procedures. The inclusion of the estimated catch weight in the hail-in is required as a Condition of Licence in all regions except the Gulf. The availability of this information at the time of hail-in is designed to mitigate the risk a fisher might illegally offload some catch prior to the actual catch weight being determined at an observed DMP off-loading. The Conditions of Licence require that a fisher accurately estimate the weight of their catch by species. A legal precedent has been established that requires fishers to estimate their catch weight to within 10% of the actual weight. Failure to adequately estimate a catch weight can result in C&P charging a fisher with a violation of Conditions of Licence.

In the Quebec, the estimated catch weight is often not included in the hail-ins by fishers even though this requirement is included in the Conditions of Licence. The DMCs in the Region are aware that there is this requirement to provide estimated weight, yet they do not attempt to have fishers comply with this practice. It should also be noted that estimated hail-in weight is not included in the DMCs' QS Manual and therefore the CGSB auditors did not highlight the lack of adherence to this procedure.

Part of the reluctance of some fishers to transmit the estimated weight of their catch over a ship-to-shore radio or cellular telephone may be their fear that other fishers could gain a competitive advantage in knowing whether their trip was successful. In the Southern New Brunswick sector of the Maritimes Region, several fishers have created "secret" codes with the DMC to enable them to hail-in their estimated weights in a way that is only decipherable to the DMC.

Hail-in Is Reported By Licence Holder to Buyers Instead of to DMCs

Fishers normally contact their buyer prior to landing to allow the buyer to be prepared to accept the catch. Where a hail-in is part of a Condition of Licence, the conditions also stipulate that the fisher is also required to directly Hail-in to a DMC.

In all regions, the Review Team observed instances, where licence holders hailed-in to the buyers instead of to a DMC. Buyers are asked by the fisher to contact the DMC on their behalf to

register the Hail-in. Instances were reported where buyers delayed transmitting hail-in information to the DMC, erroneously reported the data or did not contact the DMC at all. This practice of passing hail-in information to DMCs via a buyer was found to be most common in the Newfoundland and Quebec Regions. There are occasionally situations where a fisher may not be able to hail-in to a DMC but is able to contact a buyer. This is usually the exception as opposed to the rule.

Hailing-in to buyers can result in incomplete hail-in records or lead to delays in making the information available to DMCs and to C&P. This makes it more difficult for DMCs to assign DOs in an efficient manner and inhibits the monitoring activities of C&P. In addition, hail-ins to buyers potentially jeopardizes the Department's ability to prosecute a fisher should there be a significant discrepancy between the estimated hail-in weight and the actual weight. The fisher could argue that the buyer passed along the wrong information at the time of hail-in.

DMP Coordinators in all DMP Regions should make it clear to DMCs that hail-ins should only be accepted directly from fishers. It should also be reinforced with fishers that their Conditions of Licence stipulate that hail-ins must be made directly to DMCs.

Access To Hail-out And Hail-in Information By Fishery Officers

The Pacific and Maritimes Regions, record hail-out and hail-in information in a database that is available on-line to authorized DFO staff. In the Newfoundland, Gulf and Quebec Regions, the hail-out and hail-in data is not recorded in a way that gives Fishery Officers direct and timely access to it. Without this access, Fishery Officers can only obtain the information by calling the DMCs. This lack of direct access hinders the DMP related monitoring activities of Fishery Officers and creates unnecessary work for the DMCs in responding to calls.

In Newfoundland, the Region has recently established a process whereby all C&P Detachments receive information daily by fax on hail-ins. While this is of value, it is still not timely enough for effective C&P monitoring. The C&P organization in the Newfoundland, Gulf and Quebec Regions would benefit from direct access to accurate and timely hail information.

3.5.3 IDENTIFICATION OF DOCKSIDE OBSERVERS

As stated previously, DOs in all regions, except Pacific, are issued with official DFO credentials, which identify them as DOs. It is also important DOs be recognizable at a distance. For example, it may be difficult to distinguish a DO from others on the wharf in instances where a DMC's internal auditor or Fishery Officer is attempting to monitor activities during an off-load in a clandestine manner.

In an attempt to address this problem, the largest DMC operating in Newfoundland, has issued all its DOs with distinctive navy blue windbreakers to aid in their identification. These jackets help identify DOs on the wharf, however they are not readily visible in all weather conditions and are not suitable for cold weather. The DMCs in the Quebec Region have purchased very visible, bright yellow vests for all DOs, that can be worn over any garment. The vests cost approximately \$40.00 each.

3.5.4 FISH LANDING SITES

The landing sites where fish catches are off-loaded under DMP should provide adequate facilities and site-lines to minimize the risk that some of a catch may not be declared. The Review Team observed that the off-loading facilities at several sites were not conducive to effective monitoring by DOs. There were examples where the DO could not maintain visual continuity from the point the catch is taken off a vessel to the weigh scale. In these situations, DMCs should have assigned two DOs to monitor the off-loads to ensure visual continuity; this however was rarely observed. The Review Team also observed on several occasions a single DO monitoring the simultaneous off-loading of multiple vessels. To monitor even two vessels at one time requires a set of unique facility configurations, which do not exist at many landing sites.

The regions have the authority to designate specific sites where catches can be landed under DMP. These landing restrictions can be included in the Conditions of Licence of fishers. If a site was deemed to be inappropriate for the effective dockside monitoring of an off-load, a region could exclude it as a DMP landing site. Unfortunately, the decision as to where vessels can off-load catches under DMP is usually based on convenience to the fisher and/or buyer rather than its appropriateness as a DMP landing site.

Few regions have site plans, which describe the current facility configurations and site lines present at each site where catch is landed under DMP. Site maps for selected problematic sites have been developed in the Maritimes Region; however, C&P field staff have not yet confirmed their accuracy. The Newfoundland Region has set up a special project Team to create site plans for each landing site monitored under the DMP. This project Team is also developing a set of minimum landing site standards or protocols that must exist in order for a site to be designated as one where catches can be off-loaded and monitored under the DMP. The protocol will also stipulate the conditions at each site under which a DO may simultaneously monitor the off-loading of more than one vessel. Once developed this Newfoundland DMP Landing Site Protocol may prove to be appropriate as a basis for the creation of a national protocol.

It is clearly stated in Part II of the Atlantic Region Dockside Monitoring Program Policies and Procedures document that; “DMCs will develop site plans for each of the off-loading sites where landings are monitored.” It is not clear why DFO regions have not required DMCs to play a lead role in developing site maps for all DMP landing sites.

3.5.5 ACCURACY OF WEIGHING METHODS

There are very specific protocols described in DMP policies and QS Standards that govern the process for weighing catch under the DMP. The Review Team observed several instances where these protocols were ignored by DOs. These lapses in protocol included such things as failure to adequately verify the accuracy of scales; DOs assuming some of the tasks of a weigh master; and failure to adequately confirm the weight of containers used to hold catch being weighed.

The accuracy of the weighing process itself is obviously fundamental to the accuracy and validity of DMP data. Small errors of even a half a pound per weighing event, if widespread and

consistent, can have a significant impact on DMP data and ultimately resource management decisions.

According to DMP procedures, the accuracy of scales used to weigh fish must bear a sticker indicating they have been subject to an annual confirmation of accuracy by an approved agent. Procedure also dictates that scales be verified for accuracy at each weighing by DOs. In most instances observed by the Review Team, DOs did not formally verify scales for accuracy, however often DOs did perform an informal check. For example, DOs would weigh themselves to confirm “approximate” accuracy. This approach to verification is not according to procedure, but at least provides some measure of assurance of scale accuracy. To provide more assurance of accuracy, scales could be formally checked periodically by DMC auditors or C&P with a fixed known weight. If scales appeared to be inaccurate on the basis of this type of checking, then more conclusive checks for accuracy could be initiated.

A more systemic and more significant lapse in acknowledged DMP weighing procedure was observed by the Review Team in the Newfoundland Region. DMP policy dictates that, where catch is weighed in containers, every effort should be made to accurately determine the average weight of the containers used at each off-loading. This average container weight is then deducted from the gross weight to arrive at the actual catch weight. For the 2001-snow crab season, a fixed weight of 8.7 pounds was used rather than an average of the container weights used in an off-loading. This fixed pan weight was reduced to 8.5 four weeks into the season. A provision was also added which allowed either a fisher or a buyer to ask to have the actual average pan weight determined for an off-load of catch.

Both the Review Team and the Canada General Standards Board (CGSB) auditors conducted extensive sampling throughout the Newfoundland Region and found the actual average pan weight to be closer to 8.2 pounds. The combination of the 8.7 and 8.5 fixed pan weight used throughout the 2001-snow crab season, potentially resulted in an under-reporting of the snow crab catch to DFO.

The explanation given to the Review Team for adopting the fixed pan weight approach, was that this approach expedited the off-loading process. The formal DMP procedures pertaining to the weighing of catch were put in place to help ensure the accuracy of the weighing process. These procedures do allow for the use of estimated fixed pan weights when it is not possible to obtain the actual average weight. It is the opinion of the Review Team that it is preferable to use estimated fixed pan weights on an exception basis when actual average weights can not reasonably be obtained, rather than to apply this procedure as a rule.

3.5.6 DOCKSIDE OBSERVER FAILURE TO CHECK VESSEL HOLDS AFTER OFF-LOADING

As part of their monitoring duties, DOs are required to check a vessel's hold and other containers onboard to ensure that all catch has been offloaded and weighed. This procedure is one of the most important in providing assurance that all catch has been declared and weighed.

The Review Team conducted audits of dockside monitoring at landing sites in each region. The Review Team observed that for the most part DOs did check hold areas after the off-load had been completed, however, instances were observed in some regions where DOs did not check the hold. In the Newfoundland Region, DOs failed to verify vessel holds on 2 out of 9 occasions observed; in the Maritimes a hold check failed to be done in one of twelve off-loadings.

However in the Quebec Region, of the eight off-loadings observed, DOs checked the holds on only two occasions. A manager of one of the Quebec DMCs was aware that holds were often not checked, yet minimized the importance of this procedure and took no action to correct the situation.

3.5.7 ICE ALLOWANCE

All regions except Gulf allow some form of ice allowance. The percentage of ice allowance permitted varies according to the region. In Quebec, ice allowance is determined based on samplings of catches during off-loading. In the Newfoundland, Maritimes and Pacific Regions, ice allowance is pre-determined and included in the Conditions of Licence, generally with some exceptions, the allowance is 2 % for fresh fish and between 4% and 5% for frozen fish, whether there is actually any ice or not.

It is beyond the scope of this review to determine what the Ice Allowance protocol should be in DFO, however, in the opinion of the Review Team, the treatment of ice allowance in DFO should be based on a common rationale that is applied consistently in all regions.

3.5.8 INCIDENT REPORTS

DOs are required to report any abnormalities or deviations from required practice that they observe during the course of dockside monitoring and submit the report to their DMC. These abnormalities and deviations are referred to as incidents and officially recorded by DOs on Incident Reports. DOs are required to send a copy of any Incident Report to their DMC. DMC management reviews and forwards a copy of the Incident Report to Regional C&P staff for action. The reports should then be entered into Departmental Violation System by C&P and distributed to local detachments for investigation by Fishery Officers. If the incident is of a particularly serious or urgent nature, a DO or DMC may directly contact the C&P office, which has the responsibility for the area where the incident was observed.

The Review Team noted that, in practice, Incident Reports are often not entered into the Departmental Violations System. When they are they are often not updated by Fishery Officers to reflect how the incident was investigated and addressed. Regions were not able to provide the Review Team with any meaningful report on the type of incidents reported, or their disposition. Regardless of whether Incident Reports are formally tracked or not, most DMCs complained that they received very little feedback, even of an informal nature, related to action taken by DFO as a result of an incident being reported to it. This lack of feedback has created frustration for DMC management and staff and could, if not rectified, discourage DMCs from reporting potential incidents to the Department. One reason given by C&P staff for the lack feedback to DMCs is the sheer volume of Incident Reports received.

One approach that could potentially provide greater focus on significant incidents and improve C&P response and feedback to DMCs, would be to initially prioritize incidents according to significance and urgency. The Pacific Region has adopted a simple two-tier prioritization framework for incident reports. The reports are prioritized as either "High" or "Low". The Low Priority Incidents are not ignored, but reviewed more in terms of trends that emerge. The High Priority Incidents are given more specific individual attention.

Recommendations:

16. The ADM of Fisheries Management, in consultation with all DMP Regions, should ensure the coordination of the following activities:

- ***The development of a fish landing site protocol that would form the basis of the protocol in all regions.***
- ***The development of a DFO Ice Allowance policy that would be consistently applied in all regions.***
- ***The re-issuing of the Atlantic Dockside Monitoring Policy and Procedures document as a national document that would include the Pacific Region. This document would standardize, to the extent possible, all DMP policies and procedures to be applied in DFO regions.***
- ***The development of a system to prioritize Incident Reports.***

17. The Directors of Fisheries Management in all DMP Regions should require that Dockside Monitoring Companies be charged with the responsibility of developing and maintaining site maps for all DMP landing sites.

18. The Director of Fisheries Management in the Gulf Region should require that as a Condition of Licence, estimated weight of catch be included in all hail-ins.

19. The Director of Fisheries Management in the Quebec Region should ensure that fishers and Dockside Monitoring Companies respect the stipulations in the Conditions of Licence of fishers to include estimated catch weight in the hail-in data captured by the Dockside Monitoring Company.

20. The Director of Fisheries Management in the Pacific and Quebec Regions should ensure all Conditions of Licence include the requirement for vessels to hail-in landing time as well as requested off-loading time.

21. The Directors of Fisheries Management in all DMP Regions should ensure that Dockside Monitoring Companies do not accept hail-ins from other parties on behalf of a fisher, unless it is technically impossible for the fisher to contact the Dockside Monitoring Company directly.

- 22. The Directors of Fisheries Management in the Quebec, Gulf and Newfoundland Regions should ensure that all Dockside Monitoring Companies capture hail information in a database that is directly available to authorized staff in DFO, including Fishery Officers.*
- 23. The Directors of Conservation and Protection in all DMP Regions should ensure that Conservation and Protection staff enter Incident Reports into the Departmental Violations System. Action taken and results of investigations should be recorded in the system. Regional DMP Coordinators should provide at least periodic feedback on action taken to the Dockside Monitoring Companies.*
- 24. The Director of Fisheries Management, Newfoundland Region should eliminate the fixed container weight practice for establishing catch weight under DMP and re-instate the approved DMP procedure of determining the average container weight at each off-loading.*
- 25. The Directors of Fisheries Management in the Newfoundland, Maritimes, Gulf and Pacific Regions should work with Dockside Monitoring Companies to ensure that Dockside Observers are provided with a distinctive form of clothing that readily identifies them as Dockside Observers.*

3.6 ONGOING MONITORING OF THE DOCKSIDE MONITORING PROGRAM

There is little evidence of a structured, systematic DFO program to monitor the performance of Dockside Observers or DMP procedures at the field level.

To maintain the integrity and credibility of any compliance oriented program it is important to have in place monitoring or audit regimes that help ensure that all aspects of a program are complied with. There must be a strong probability that lack of compliance to key elements of a program will be detected, corrective action taken, and penalties applied where appropriate.

The DMP is a program whose success depends on compliance with regulations, policies and accepted practices. Key elements of the DMP that should be subject to monitoring are:

- the internal operations and processes of the DMCs;
- the DMP internal control procedures applied prior to the off-loading of a catch; and
- the adherence to procedures during the off-loading of catches.

The monitoring/auditing of the processes associated with the internal operations of DMCs is covered in the Newfoundland, Maritimes, Gulf and Quebec Regions by the Quality Systems requirements as stipulated in DFO policies which support Section 39.1 of the Fishery (General) Regulations. The annual reviews of compliance to these Quality Systems requirements conducted by the CGSB on behalf of DFO provide a significant measure of assurance that the internal systems and processes of designated DMCs are supportive of an effective DMP. The addition of a Quality Systems requirement and review process in the Pacific Region as recommended above, would help provide the same level of assurance in this region.

The second category of DMP activities that should be subject to ongoing monitoring is the internal DMP control procedures, which apply prior to off-loading. Consistent adherence to procedures such as hailing-out and hailing-in, contribute greatly to the operational effectiveness of the DMP. Issues and problems associated with these internal control processes have been discussed in previous sections of this report. The DMCs can highlight lack of adherence to many of these internal control procedures by submitting them to C&P as Incident Reports, however, since these procedures are often part of the Conditions of Licence of fishers, the primary responsibility for monitoring adherence to them rests with the C&P organization. The Review Team found very little evidence that C&P, either at the regional or field level, systematically and actively monitored compliance by fishers to these important procedures.

The third category of DMP procedures that require ongoing monitoring pertain to the DMP related procedures and practices as they occur at the dockside. This is the most important component of the DMP in terms of demonstrating program integrity. The more that can be done to provide assurance that these dockside practices are followed, the greater the likelihood of program integrity. Because of the importance of the Dockside Observer (DO) role in ensuring the ultimate integrity of the DMP, it is critical to have monitoring and surveillance systems in place that increase the assurance that DO performance is above reproach.

Many DOs are employed on a part-time or seasonal basis. The pay scale of DOs is relatively low, ranging from three to seven dollars above the minimum wage in the provinces where they are employed. Often the catches that are monitored by DOs are very lucrative to the fishers. Several persons interviewed during the course of this review expressed concern that DOs may be subject to being influenced by the fishers to under-report catches. It was not within the scope of this review to undertake investigations into the integrity of individual DOs' and their job performance. The vast majority of those DOs directly observed and interviewed by the Review Team appeared to be quite committed to carrying out their job in an honest and professional manner.

Currently, there are three monitoring/auditing programs that are applied to DOs and the procedures associated with the off-loading of catches monitored under the DMP. The first is undertaken by the DMCs themselves, within the framework of the CGSB Quality Systems Standards. The other two are by agents external to the DMCs. Internal reviews of operations by companies themselves are an accepted form of providing assurance. Reviews by external agents are, however, considered essential to provide acceptable levels of assurance for programs such as the DMP that have a critical impact on the mandate and objectives of an organization.

The focus of these monitoring initiatives is on identifying any practices that do not conform to DMP policies and guidelines and to take remedial steps to rectify the situation. These steps may be as simple as reminding a DO of the correct way to perform a task or recommending further training. The three monitoring/auditing activities for dockside procedures are:

- internal auditing of DOs by Dockside Monitoring Companies (DMCs);
- auditing of dockside procedures by the CGSB; and
- auditing of dockside procedures and DOs by C&P Fishery Officers.

DMCs in all DMP regions, except for the Pacific, are required to have DO audit programs established as part of their CGSB Quality Systems Standards. In the Pacific Region, DMCs are not designated by DFO and therefore the Quality Systems Guidelines have not been directly applied. DMCs in the Pacific Region do, however, have internal DO audit programs required under conditions of their contracts. The Review Team found that in all regions the larger DMCs conducted regular audits of their DOs in a structured manner. The smaller DMCs did conduct audits of their DOs performance, however they were less structured, less frequent and less formal.

The second form of monitoring of dockside procedures is conducted by the CGSB. As referenced previously in this report, the CGSB conducted audits of DMCs and dockside procedures during the spring and summers of 2000 and 2001. It is not the mandate of the CGSB to provide assurance that the work of individual DOs is satisfactory. The CGSB auditors focus on systemic process issues and problems. They have over the past two years identified several problems and issues pertaining to DO practices.

A third monitoring initiative, which is an essential element of the DMP, monitoring framework is the monitoring of DMP related dockside procedures by Fishery Officers in the field. This monitoring addresses not only procedural type problems but also the potential for collusion and under-reporting of catches. Unfortunately, this potentially most important aspect of the overall-monitoring regime has not been effectively carried out. When the DMP was initially implemented, there was uncertainty and lack of understanding as to the role of the regional C&P organizations. Resource Management has been the primary initiator of the Program in most regions; this contributed to the C&P organization initially giving the DMP a low priority. This situation was also accentuated by the lack of involvement of C&P at DFO Headquarters where, until recently, the national coordinating role for DMP resided solely in the RM organization.

To help support monitoring activities, it is essential that the C&P organizations in each region make optimum use of data that is available from the DMP and related processes. By effectively utilizing information derived from the DMP, Fishery Officers could more readily apply risk management techniques in determining how best to utilize, for example, surveillance time.

Few regions have created meaningful reports based on DMP data that are regularly distributed to field C&P Fishery Officers. The Maritimes Region has developed some useful reports; such as an analysis of individual DO observation patterns that would facilitate the identification of DOs who might tend to erroneously under-report catch weight for certain “favoured” vessels. The DMP coordinator in the Maritimes Region who oversaw the development of this and other useful reports organizationally resides in the RM Branch. To date the coordinator has not been able to effectively enlist the involvement and support of the C&P organization in the development or use of these reports.

One of the reasons the creation of useful DMP related reports has not taken place in most regions is the lack of time and appropriate analytical skills necessary to effectively carry out the analysis required to determine the most effective ways to utilize DMP data. The duties of the full-time DMP Coordinator, proposed in this report include the creation and analysis of reports derived

from DMP data for use by C&P Fishery Officers and the Regional C&P Enforcement organization.

There is a significant opportunity for the C&P organization to utilize information already available to enhance its enforcement efforts. There is information currently available from the At-Sea Observer Program, Air Surveillance activities and the DMP. What is currently lacking, is the ready integration of these information sources.

The Fisheries Management Sector's current Fisheries Information Management Project (FIMP) is being designed to capture information from all these sources. This system is expected to be in place in the next 12-18 months. This integrated information data warehouse will be an invaluable tool to support C&P monitoring of the DMP as well as other enforcement activities.

The primary focus of the C&P monitoring of DMP dockside procedures is the monitoring of the performance of DOs. Unfortunately, none of the regional C&P organizations has created a comprehensive, integrated strategy to carry out reviews of the performance of DOs and DMP related dockside procedures. There is reference to DO audits in some annual work plans but these references are somewhat vague with few specifics pertaining to what is expected. When audits have been carried out, they have been sporadic and rarely based on an analysis of data to identify situations that potentially represent the greatest risk.

To effectively monitor DOs performance and the DMP in general, Fishery Officers should have a thorough knowledge of the regulations, policies and procedures pertaining to the DMP. The level of knowledge and understanding of the DMP and the role of Fishery Officers in monitoring the Program, varied significantly amongst those Fishery Officers interviewed during this review. Formal DMP training for Fishery Officers focuses on new recruits. There is little evidence that veteran Fishery Officers receive regular refresher training on the DMP and the importance of Fishery Officer's role in its monitoring.

It should be noted, however, that in all regions there is a growing awareness and commitment to the importance of implementing a structured program for the monitoring of DOs and DMP related dockside procedures by C&P. A special module has been developed that will be part of the "Enforcement Desktop" application that will be available to enable Fishery Officers to enter the results of DO performance audits. This systems enhancement will enable C&P to accurately track progress of the DO performance audit program as well as highlight deficiency trends, both in terms of general trends, as well as those pertaining to individual DOs. Remedial action could be much more accurately focused, providing increased assurance that DOs continue to remain key contributors to the overall effectiveness of the DMP.

The following summarizes the monitoring initiatives of DO performance that have been undertaken by C&P Fishery Officers in the field:

- In the Maritimes Regions, there has been some effort made to have Fishery Officers formally monitor the performance of DOs. During the first two quarters of Fiscal Year 2001-2002, approximately 40 DO documented performance reviews have been completed, however, there is no plan in place to engage all Area Offices in undertaking a comprehensive monitoring program of DOs.

- Two years ago, Newfoundland had started to implement an auditing program whereby Performance Evaluation Reports on DOs were completed by Fishery Officer. This practice was discontinued due to reluctance expressed by Fishery Officers that this practice might adversely affect the working relationship between DOs and Fishery Officers. In the 2001/2002 fiscal year, the audit plan called for Fishery Officers to undertake as many audits of DOs as possible. As of September 2001, 122 Performance Evaluation Reports were completed on DOs. It is expected that results of these DO audits will help in formulating more specific audit plans for Fishery Officers this year.
- Gulf Region has no formal audit plan in place, however, Fishery Officers informally monitor, the performance of DOs. Fishery Officers have been asked by the Regional DMP Co-ordinator to send any observations pertaining to inappropriate DO behaviour to the Regional DMP Co-ordinator who will discuss specific and general DO practices with the respective DMCs.
- Pacific Region has not conducted any formal audit of DMC practices, including DOs for several years. There has been little involvement of C&P in the DMP apart from the five Fishery Officers whose salaries are paid through contributions to DFO from the Halibut and Sablefish Associations. Their focus is almost exclusively on DMP practices as they impact only these two fisheries.
- Last year, in the Quebec Region, the Gaspé district office of C&P prepared a report on DMP issues and recommendations by specific fishery. Unfortunately, there has been little response from Quebec Regional authorities to the issues and recommendations raised.

Recommendations

- 26. Regional Directors of Fisheries Management should ensure greater focus on the development and use of DMP related information systems to support regional monitoring of DMP processes and Dockside Observer performance.***
- 27. The Directors of Conservation and Protection in all DMP Regions should ensure that a comprehensive audit strategy is developed to regularly monitor the performance of Dockside Observers and related DMP dockside practices.***
- 28. The ADM of Fisheries Management should ensure that training programs for both new recruits, as well as for veteran Fishery Officers, cover all aspects of the DMP that would be necessary to enable Fishery Officers to effectively monitor the Program.***

4.0 CONCLUSION

The DMP is the cornerstone of the departmental initiative to capture and record the actual weight of fish species caught off the east and west coasts of Canada as well as in the Gulf of Saint Lawrence. This information is a vital component in the development of resource management plans for most commercial, recreational and aboriginal fisheries in Canada.

The Review Team determined that the data entry processes for primary DMP data are rigorous and result in an accurate transposition of data from source DMP Tally Sheets into DFO databases.

The review however found evidence that the overall ongoing integrity of the Program is at risk because DMP related regulations, policies, and control procedures are not sufficiently comprehensive in some cases nor are they rigorously and consistently adhered to in all regions. To reduce this risk it will be necessary to focus on initiatives designed to achieve more consistent adherence to key DMP regulations, policies and procedures as well as to strengthen the commitment to the active monitoring of the DMP by the C&P organization.

5.0 MANAGEMENT ACTION PLAN

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>1) <i>The Assistant Deputy Minister, (ADM), Fisheries Management, should ensure that strategies are developed to enable Department of Fisheries and Oceans (DFO) to act as a coordinating agent in assisting Dockside Monitoring Companies (DMC's) to develop and implement technologies that will improve their efficiency in carrying out Dockside Monitoring Program (DMP) functions. The direct funding by DFO of technology development for use by Dockside Monitoring Companies should be restricted to applications that will improve the effectiveness of the DMP and further the objectives of the Department.</i></p>	<p>All regions are in agreement that funding should be restricted to technology development that enhances program delivery, e.g., more timely receipt of catch data information. DFO must retain ownership of the technology to protect against loss in the event a Dockside Monitoring Company (DMC) ceases operation. The Department is currently developing technology to integrate the at-sea and dockside monitoring hail-out calls. Other initiatives, which can be applied in the DMP are at various stages of development.</p>	<p>ADM Fisheries Management</p>	<p>Immediate</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
2) <i>The Directors General of Pacific, Gulf, Quebec and Newfoundland Regions should ensure that a DMP Working Group is established to address all DMP related issues in the Region. This group would be made up of representatives from all DFO organizations that are stakeholders in the DMP.</i>	All regions either currently have (Maritimes, Newfoundland and Quebec) or have agreed to put in place (Gulf and Pacific) a DMP working group with representation from DFO and stakeholders.	Pacific and Gulf Regions	January 2003
3) The Directors of Fisheries Management in all DMP regions should ensure that a DMP Industry Consultation Committee is established to provide a regular opportunity for all DMP industry stakeholders to be consulted on program changes, issues and concerns.	Each region agrees that such consultations are important, and will ensure that all industry stakeholders are consulted on DMP program changes, issues and concerns, either through the establishment of DFO/industry consultation committees or through currently established industry advisory committees/boards. The Newfoundland Region currently has a committee and the Gulf Region has indicated that they will establish one.	Directors of Fisheries Management and all Regions	January 31, 2003

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
4) <i>The Directors of Fisheries Management in the Newfoundland, Maritimes, Quebec and Pacific Regions should assign the responsibility for DMP to a full-time co-ordinator from the Conservation and Protection organization in their respective regions.</i>	The Conservation and Protection Directorate in all DMP Regions will assume the lead role for the coordination of the Dockside Monitoring Program. The Regions and National Headquarters (NHQ) will take whatever measures required to ensure that this program is effectively managed and monitored to ensure its integrity.	Directors of Fisheries Management and all Regions	Immediate
5) <i>The Director of Fisheries Management in the Pacific Region should transfer the coordination responsibility for the At-Sea Observer Program to the Conservation and Protection organization in order to maximize integration opportunities with the DMP.</i>	These responsibilities will be transferred to the Director, Conservation and Protection.	Director, Fisheries Management, Pacific Region	April, 2003

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
6) <i>The ADM, Fisheries Management, should assign the responsibility for the national coordination of the DMP to the Conservation and Protection Branch of head - quarters and ensure adequate resources are dedicated to this function in order that it is effectively carried out.</i>	The Conservation and Protection Directorate in NHQ will assume the lead role for the coordination of the Dockside Monitoring Program. NHQ will take whatever measures required to ensure that this program is effectively managed and monitored to ensure its integrity.	ADM, Fisheries Management	Immediate
7) <i>The Director General of the Newfoundland Region should ensure that the Dockside Monitoring Companies currently operating without being designated, fully comply with Section 39.1 of the Fishery (General) Regulations.</i>	There is currently one Dockside Monitoring Company in the Newfoundland Region requiring designation. This company has recently restructured its board of directors. A decision on designation is anticipated before the end of this year.	Regional Director General (RDG), Newfoundland Region	December 31, 2002
8) <i>The Director General of the Pacific Region should ensure that the DMP in the Pacific Region incorporates the designation process described in Section 39.1 of the Fishery (General) Regulations.</i>	Recommendation will be implemented. More time is needed to resolve legal issues and to give at least one year notice to service providers.	RDG, Pacific Region	April 1, 2003

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>9) <i>The ADM of Fisheries Management should clarify the requirements for the designation of new Dockside Monitoring Companies as they pertain to financial viability as well as the requirements for a Dockside Monitoring Company requesting re-designation.</i></p>	<p>Since the introduction of the “Atlantic Policies and Procedures” it has been noted that there are areas that need clarification. This issue will be addressed as part of the review of this document.</p>	<p>Conservation and Protection in National Headquarters with the National Dockside Monitoring Program (DMP) Working Group</p>	<p>April 1, 2003</p>
<p>10) <i>The ADM of Fisheries Management should:</i></p> <p>a) <i>Develop a national policy, which stipulates the minimum requirements necessary for someone to deliver training to Dockside Observers.</i></p>	<p>a) The National Dockside Monitoring Program (DMP) Working Group will give further consideration to this. A national policy would have to take into account the unique training requirements of the regions. Minimum trainer capabilities could be established on a national scale, with regional emphasis on knowledge of local fisheries. National standards would have to be of a high level and generic in nature.</p>	<p>Conservation and Protection, in National Headquarters with the National DMP Working Group</p>	<p>Implementation of all the action items under recommendation #10 will be April 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>b) <i>Amend the DMP policy to provide criteria and guidelines for mandatory Dockside Observer refresher training.</i></p>	<p>b) Guidelines outlining the circumstances and extent that retraining is required need to be established. There is no need for ongoing retraining unless problems are identified through audits or other means.</p>		
<p>c) <i>Evaluate for potential national application, the proposal developed by the Newfoundland Region to create multiple versions of Dockside Observer exams, adjudicated and marked by DFO approved examiners.</i></p>	<p>c) The recommendation has merit because it places onus on a Dockside Monitoring Company (DMC) to ensure all topics in the Policy and Procedures manual and the DMC training syllabus are covered. If a DMC designs and administers the exam, there is a perception that it can tailor the exam to meet limited training standards. A DFO-designed and administered exam would ensure Dockside Observers are fully knowledgeable about all duties.</p> <p>The Maritimes Region feels that hiring is the purview of the DMC's and that the course syllabus should be submitted to DFO and audits performed to ensure standards are met. This issue requires further discussion at the National DMP Working Group.</p>		

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>d) <i>Develop guidelines and criteria for training and accreditation of temporary Dockside Observers</i></p> <p>e) Develop a national protocol, which categorizes Dockside Observer performance lapses and infractions, and identifies <i>DFO imposed sanctions for each.</i></p>	<p>d) It is agreed that strict criteria need to be developed regarding the issuance of temporary designations of Dockside Observers. Due to the geographical nature of some regions, and the absence of a large workforce, temporary designation is used as a contingency measure to replace personnel who leave the program on short notice. Temporary designation is a requirement if the Department is to ensure the continuance of the DMP, but it should only be used when absolutely necessary and in accordance with specific criteria.</p> <p>e) The Regional Director General has the authority to designate an individual as a Dockside Observer. Inherent in that is the authority to revoke the designation if the individual fails to perform the duties of the position. Regions will be consulted on the development of standards that must be met, and classes of penalties that may be imposed.</p>		

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>11) <i>The Director of Fisheries Management in the Pacific Region should ensure that the background checks of current and prospective Dockside Observers consistently include a check to verify they do not hold a commercial fishing license.</i></p>	<p>Pacific Region agrees with the recommendation and will implement it by January 1, 2003.</p>	<p>Director Fisheries Management, Pacific Region</p>	<p>January 1, 2003</p>
<p>12) <i>The Director General of the Pacific Region should ensure that official DFO identification cards are issued to all designated Dockside Observers.</i></p>	<p>Pacific Region agrees with the recommendation. An implementation strategy is currently being developed.</p>	<p>RDG, Pacific Region</p>	<p>January 1, 2003</p>
<p>13) <i>The DMP Regional Coordinators should audit the requirement for Dockside Observers to monitor at least five offloadings per year in order to maintain their designated status.</i></p>	<p>Due to the large number of Dockside Observers, it would be preferable to have a DMC verify that an employee has monitored at least five offloadings. The DMC's claims can be spot-checked during Canadian General Standards Board (CGSB) audits. This would reduce the departmental workload associated with this recommendation.</p>	<p>DMP Regional Coordinators</p>	<p>January 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>14) <i>The Director of Conservation and Protection in the Gulf Region should re-evaluate the skill and knowledge of the Dockside Observers who received only 32 hours of training to determine whether additional training is required.</i></p>	<p>Recommendation has been implemented.</p>	<p>Conservation and Protection Director, Gulf Region</p>	<p>Completed</p>
<p>15) The Directors of Fisheries Management in all DMP regions should ensure that an ongoing program is implemented to verify the continued eligibility of Dockside Observers.</p>	<p>Regions either have procedures in place or will be implementing procedures this year to ensure Dockside Observers meet arms-length requirements in addition to assessing capabilities.</p>	<p>DMP Regional Coordinators</p>	<p>January 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>16) <i>The ADM of Fisheries Management, in consultation with all DMP Regions, should ensure the coordination of the following activities:</i></p> <p>a) <i>The development of a fish landing site protocol that would form the basis of the protocol in all regions.</i></p>	<p>a) The Newfoundland Region has developed a Fish Landing Station Protocol in conjunction with stakeholders and the provincial Department of Fisheries and Aquaculture. The protocol is expected to be approved in 2002. Other regions may use the document as a basis for development of a protocol. The protocol should allow for regional tailoring to meet region-specific standards and requirements. Some aspects of a landing site protocol rely on provincial jurisdiction.</p>		

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>b) <i>The development of a DFO Ice Allowance policy that would be consistently applied in all regions.</i></p> <p>c) <i>The re-issuing of the Atlantic Dockside Monitoring Policy and Procedures document as a national document that would include the Pacific Region. This document would standardize, to the extent possible, all DMP policies and procedures to be applied in DFO regions.</i></p>	<p>b) An ice allowance policy must be tailored to the handling practices of each fishery. The handling of a particular species may differ from region to region, or within a region. Nationally, it can be stated that an ice allowance should be established in accordance with some general principles, but the specifics of the allowances must be developed by the regions. The possibility of developing a national policy/principles will be discussed at the next meeting of the DMP working group.</p> <p>c) The Atlantic Policies and Procedures document has been in place for a number of years. The document will be reviewed and amended over the next few months. This review process will include issues pertinent to the Pacific Region. At this time, it is not known what issues may arise with incorporation of the Pacific Region into the document.</p>	<p>The National DMP Working Group will address these four issues</p>	<p>April 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
d) <i>The development of a system to prioritize Incident Reports.</i>	d) Regions will evaluate the feasibility of prioritizing incident reports. To be discussed at the next meeting of the DMP national working group.		
17) <i>The Directors of Fisheries Management in all DMP Regions should require that Dockside Monitoring Companies be charged with the responsibility of developing and maintaining site maps for all DMP landing sites.</i>	<p>The underlying issue is that there must be unobstructed line-of-sight from vessels being offloaded to the weigh scales, or some other mechanism for ensuring that there is no tampering prior to the fish reaching the scales. The current DMP Policy and Procedures require DMC's to submit site plans to DFO. In some regions, this is being done, while other regions have requested that the DMC's provide them.</p> <p>The Newfoundland Region has developed a Fish Landing Station Protocol which places the onus on the owner of a site to provide a site plan in order to receive designation. This would seem to be more appropriate than requiring DMC's to submit plans for sites that they do not own or control.</p>	<p>DMP Regional Coordinators to ensure site plans are provided</p> <p>National DMP Working Group to review Newfoundland Protocol for possible application in other regions</p>	<p>January 1, 2003</p> <p>April 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
	The Newfoundland protocol will be circulated to other regions for their consideration. If other regions adopt the Newfoundland model of a landing station protocol, DMC's would no longer be required to obtain site plans.		
18) <i>The Director of Fisheries Management in the Gulf Region should require that as a Condition of License, estimated weight of catch be included in all hail-ins.</i>	Internal discussions on changes to license conditions will take place in November and December 2002. Implementation timetable is subject to industry consultations.	Director, Fisheries Management, Gulf Region	Gulf Region to advise. Implementation timetable is subject to industry consultations.
19) <i>The Director of Fisheries Management in the Quebec Region should ensure that fishers and Dockside Monitoring Companies respect the stipulations in the Conditions of License of fishers to include estimated catch weight in the hail-in data captured by the Dockside Monitoring Company.</i>	This recommendation has been implemented by the Quebec Region.	Director, Fisheries Management, Quebec Region	Completed

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>20) <i>The Director of Fisheries Management in the Pacific and Quebec Regions should ensure all Conditions of License include the requirement for vessels to hail-in landing time as well as requested off-loading time.</i></p>	<p>The Quebec Region has already implemented this recommendation.</p> <p>In some fisheries in the Pacific Region, landing times and offloading times often coincide; however this provision is currently in place for all groundfish fisheries with DMP. For those fisheries where it is appropriate, conditions of license will be reviewed for conformance with this recommendation.</p>	<p>Director, Fisheries Management, Pacific Region</p>	<p>Completed</p> <p>April 1, 2003</p>
<p>21) <i>The Directors of Fisheries Management in all DMP Regions should ensure that Dockside Monitoring Companies do not accept hail-ins from other parties on behalf of a fisher, unless it is technically impossible for the fisher to contact the Dockside Monitoring Company directly.</i></p>	<p>Most regions agree with the recommendation. The Quebec and Maritimes Regions have some concerns. The current system of DMC's accepting hails from parties other than fishers has been in place since the inception of the DMP. It will be difficult in the short term to move to a system where calls are only accepted from fishers. The introduction of new technology will present greater opportunities for fishers to call a DMC directly, however there will still be no means of identifying a caller. Although it is preferable to receive calls from fishers only, it would be a great challenge to ensure that only fishers make the call. In</p>	<p>All DMP Coordinators</p>	<p>Initial target date for implementation of new technology: calendar year 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
	<p>a fisher's license condition, they are responsible for the hail-in. If they fail to comply, the Department has legal recourse.</p>		
<p>22) <i>The Directors of Fisheries Management in the Quebec, Gulf and Newfoundland Regions should ensure that all Dockside Monitoring Companies capture hail information in a database that is directly available to authorized staff in DFO, including Fishery Officers.</i></p>	<p>The three regions agree with this recommendation. A real time database that is readily available to Fishery Officers and that would eliminate the requirement for faxed information and would also facilitate overall coordination and auditing of DMP. The Gulf and Quebec Regions indicated that additional funding is required to modify databases. In the Newfoundland Region, some hail information in cod fisheries is now being captured in a database and made available to Fishery Officers. The Maritimes Region currently captures all hail information electronically through direct data entry by DMCs into the DFO database and is now working on a new database design that will capture hail-out information using voice recognition. Because the system uses voice recognition, the hail-in portion of the system is currently not feasible, due to the background noise problems. It is anticipated that this will be overcome in</p>	<p>Fisheries Management Directors, Quebec, Gulf and Newfoundland Regions</p>	<p>Initial implementation date for the new voice recognition hail-out system in the Maritimes Region is calendar year 2003. Other Regions will then evaluate the system for potential wider application.</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
	currently available to DFO personnel. the near future. All hail information is The Maritimes Region, as part of the Objective Based Fisheries Management (OBFM) initiative, has also developed a system using the Virtual Data Center (VDC) that integrated hail-out and air surveillance information and produces an exception report in near real time comparing hail-out areas with sightings.		
23) <i>The Directors of Conservation and Protection in all DMP Regions should ensure that Conservation and Protection staff enter Incident Reports into the Departmental Violations System. Action taken and results of investigations should be recorded in the system. Regional DMP Coordinators should provide at least periodic feedback on action taken to the Dockside Monitoring Companies.</i>	All regions agree with this recommendation. The Departmental Violations System (DVS) has been modified to allow this information to be captured. Each region will develop a process to ensure periodic feedback to DMC's.	Conservation and Protection Directors, all DMP Regions	January 1, 2003

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>24) <i>The Director of Fisheries Management, Newfoundland Region should eliminate the fixed container weight practice for establishing catch weight under DMP and re-instate the approved DMP procedure of determining the average container weight at each off-loading.</i></p>	<p>The recommendation has been implemented.</p> <p>The Newfoundland Region has implemented a protocol for determining the average tare weight of containers used in the offloading process. If the same pan type is used in subsequent offloadings, the same tare weight will be used. If pans have been modified or new ones introduced, a new tare-weight sample shall be conducted.</p>	<p>Director, Fisheries Management, Newfoundland Region</p>	<p>Completed</p>
<p>25) <i>The Directors of Fisheries Management in the Newfoundland, Maritimes, Gulf and Pacific Regions should work with Dockside Monitoring Companies to make available to Dockside Observers, a distinctive form of clothing that readily identifies them as Dockside Observers.</i></p>	<p>There is general agreement with this recommendation; however, the imposition of costs to the DMC's is a concern. DMC's in some regions are providing distinctive clothing for their employees. DFO should suggest rather than impose a clothing requirement on DMC's.</p>	<p>DMP, Regional Coordinators</p>	<p>January 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
<p>26) <i>Regional Directors of Fisheries Management should ensure greater focus on the development and use of DMP related information systems to support regional monitoring of DMP processes and Dockside Observer performance.</i></p>	<p>There is general agreement with this recommendation, although funding was identified as an issue by most regions. Work is currently ongoing on a number of fronts to improve data analysis capabilities and integrate existing data systems. DMP data will be an important element of this work, (e.g. the Maritimes Region initiative involving the Virtual Data Center, see recommendation number 22).</p>	<p>Regional Directors, Fisheries Management</p>	<p>On-going</p>
<p>27) <i>The Directors of Conservation and Protection in all DMP Regions should ensure that a comprehensive audit strategy is developed to regularly monitor the performance of Dockside Observers and related DMP dockside practices.</i></p>	<p>All regions agree with this recommendation.</p> <p>Some regions currently have a monitoring process in place to audit Dockside Observers. Other regions will take similar action by January 2003.</p>	<p>Conservation and Protection Directors, all DMP Regions</p>	<p>January 1, 2003</p>

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIME INTEREST	INITIAL TARGET DATE
28) <i>The ADM of Fisheries Management should ensure that training programs for both new recruits, as well as for veteran Fishery Officers, cover all aspects of the DMP that would be necessary to enable Fishery Officers to effectively monitor the Program.</i>	Some training is currently provided. The current training syllabus for new recruits will be reviewed to ensure that the DMP is adequately covered. In addition, an information package will be developed and distributed to current Conservation and Protection staff.	Conservation and Protection, NHQ	April 1, 2003

APPENDIX A

Terms of Reference

Background

The objective of the Dockside Monitoring Program (DMP) is to provide accurate, timely and independent third party verification of landings. The program is carried out by private sector companies and is a significant example of Alternate Service Delivery in support of DFO programs.

The program has grown rapidly in recent years and now provides monitoring services for most fisheries on the West Coast, in Atlantic Canada and Quebec. DMP constitutes the primary source, and in some regions, the sole source, of landing information on which the management of the fisheries is based. The fishing industry and the Department are therefore, dependent on the accurate verification of landings by dockside monitoring companies.

To take into account the growth, size and priority of dockside monitoring, a number of changes have been made resulting in amendments to the Fisheries (General) Regulations establishing designation requirements for dockside monitoring companies (DMCs). These designation requirements have two principal elements: arm's length criteria, and quality control.

The arm's length criteria are designed to ensure that there are no actual or perceived conflicts of interest between the DMCs and the fishing entities they monitor. Specific criteria that DMCs and Dockside Observers (DOs) have to meet are set out in the Fisheries (General) Regulations.

The introduction of a quality system will ensure that DMCs have processes and procedures in place to provide for accurate and timely records of landings. DFO contracts with the Canadian General Standards Board to audit the DMCs' quality systems.

The DMP was last reviewed in 1995 prior to the above referenced 1999 amendments to the DMP. The Review Directorate's 2000-01 annual plan includes a review of the Dockside Monitoring Program.

Objectives and Scope

Objectives

1. To determine whether an adequate governance structure to support DMP has been established. We expect to find:
 - activities supported by an appropriate regulatory framework;
 - clear mandates, roles, responsibilities and authorities; and
 - effective accountability structures.
2. To determine whether management practices are conducive to program effectiveness and efficiency. We expect to find:

- appropriate risk management strategies associated with the design, implementation and monitoring of the DMP;
- appropriate administrative and control practices are in place to ensure the integrity of the overall DMP;
- practices are in place to ensure the accuracy and integrity of DMP data;
- efficient and effective methodologies/technologies are in place to collect, store and retrieve DMP data in a timely manner; and
- evidence that there is an integrated approach to the utilization of data from the DMP and other fishery monitoring systems.

Scope

The scope of the audit will cover the period from June 1999 (date of amendments to the Regulations) to present. It will include DMP delivery carried out in the following regions:

- Newfoundland
- Maritimes
- Gulf
- Quebec
- Pacific

Methodology

The audit will be carried out in three phases:

- Planning
- Conduct
- Reporting

The planning phase will be carried out in February and March. This will include gathering of information on the program and interviews at Headquarters and in the Maritimes and Newfoundland Regions. This phase will also include developing detailed Terms of Reference for this engagement.

For the conduct phase, interviews will be conducted with staff at DFO regional headquarters and selected area offices. The audit Team will also visit a selected number of Dockside Monitoring Companies. Interviews will be conducted with DMC staff, including dockside observers.

Test verification of documents and records will be carried out at selected DMCs and DFO regional offices to validate monitoring activities and accuracy of records.

Team members will visit a selected number of landing sites to observe and spot check dockside monitoring activities.

Deliverables

Draft Report	August 2001
Final Report (including Management Action Plan)	September 2001

Milestone Dates and Level of Efforts

Activities	Timetable
Planning (including site visits)	February – March
Conduct (visit of landing sites depends on opening of fisheries seasons)	April – July
Reporting	July – September

General Conditions

The Team will be comprised of in-house Review Directorate staff supplemented by outside consultants. It is proposed that Brian Reid, Bob McNeil and François Bolduc be the core staff members from the Review Directorate.

It is estimated that the cost for contract support for the conduct phase of the audit will be \$25,000. Travel and accommodation costs for the conduct phase of the audit are estimated at \$35,000.

The Review Directorate will be responsible for translation of the final report. As well, the Review Directorate will arrange for distribution of the final report to DFO libraries and will post it on the Internet within four weeks of DRC approval.

APPENDIX B**LIST OF ACRONYMS USED IN THIS REPORT**

ADM	Assistant Deputy Minister
C&P	Conservation and Protection
CGSB	Canada General Standards Board
DFO	Fisheries and Oceans Canada
DMC	Dockside Monitoring Company
DMP	Dockside Monitoring Program
DO	Dockside Observer
IQ	Individual Quota
RM	Resource Management
RDG	Regional Director General

APPENDIX C

SUMMARY OF RECOMMENDATIONS

1. *The ADM, Fisheries Management, should ensure that strategies are developed to enable DFO to act as a coordinating agent in assisting Dockside Monitoring Companies to develop and implement technologies that will improve their efficiency in carrying out DMP functions. The direct funding by DFO of technology development for use by Dockside Monitoring Companies should be restricted to applications that will improve the effectiveness of the DMP and further the objectives of the Department.*
2. *The Directors General of Pacific, Gulf, Quebec and Newfoundland Regions should ensure that a DMP Working Group is established to address all DMP related issues in the Region. This group would be made up of representatives from all DFO organizations that are stakeholders in the DMP.*
3. *The Directors of Fisheries Management in all DMP regions should ensure that a DMP Industry Consultation Committee is established to provide a regular opportunity for all DMP industry stakeholders to be consulted on program changes, issues and concerns.*
4. *The Directors of Fisheries Management in the Newfoundland, Maritimes, Quebec and Pacific Regions should assign the responsibility for DMP to a full-time coordinator from the Conservation and Protection organization in their respective regions.*
5. *The Director of Fisheries Management in the Pacific Region should transfer the coordination responsibility for the At Sea Observer Program to the Conservation and Protection organization in order to maximize integration opportunities with the DMP.*
6. *The ADM, Fisheries Management, should assign the responsibility for the national coordination of the DMP to the Conservation and Protection Branch of Headquarters and ensure adequate resources are dedicated to this function in order that it is effectively carried out.*
7. *The Director General of the Newfoundland Region should ensure that the Dockside Monitoring Companies currently operating without being designated, fully comply with Section 39.1 of the Fishery (General) Regulations.*
8. *The Director General of the Pacific Region Pacific should ensure that the Dockside Monitoring Program in the Pacific Region incorporates the designation process described in Section 39.1 of the Fishery (General) Regulations.*
9. *The ADM of Fisheries Management should re-enforce the application of the policy requirements for the designation of new Dockside Monitoring Companies as they pertain to financial viability as well as clarify the requirements for a Dockside Monitoring Company requesting re-designation.*

10. The ADM of Fisheries Management should:

- *Develop a national policy, which stipulates the minimum requirements necessary for someone to deliver training to Dockside Observers*
 - *Amend the DMP policy to provide criteria and guidelines for mandatory Dockside Observer refresher training.*
 - *Evaluate for potential national application, the proposal developed by the Newfoundland Region to create multiple versions of Dockside Observer exams, adjudicated and marked by DFO approved examiners.*
 - *Develop policies and criteria for training and accreditation of temporary Dockside Observers.*
 - *Develop a national protocol, which categorizes Dockside Observer performance lapses and infractions, and identifies DFO imposed penalties for each.*
- 11. The Director of Fisheries Management in the Pacific Region should ensure that the background checks of current and prospective Dockside Observers consistently include a check to verify they do not hold a commercial fishing licence.**
- 12. The Director General of the Pacific Region should ensure that official DFO identification cards are issued to all designated Dockside Observers.**
- 13. The DMP Regional Coordinators should ensure that the requirement for Dockside Observers to monitor at least five off-loadings in the preceding twelve months in order to be eligible for re-designation is applied.**
- 14. The Director of Conservation and Protection in the Gulf Region should re-evaluate the skill and knowledge of the Dockside Observers who received only 32 hours of training to determine whether additional training is required.**
- 15. The Directors of Fisheries Management in all DMP regions should ensure that an ongoing program is implemented to verify the continued eligibility of Dockside Observers.**
- 16. The ADM of Fisheries Management, in consultation with all DMP Regions, should ensure the coordination of the following activities:**
- *The development of a fish landing site protocol that would form the basis of the protocol in all regions.*
 - *The development of a DFO Ice Allowance policy that would be consistently applied in all regions.*

- *The re-issuing of the Atlantic Dockside Monitoring Policy and Procedures document as a national document that would include the Pacific Region. This document would standardize, to the extent possible, all DMP policies and procedures to be applied in DFO regions.*
 - *The development of a system to prioritize Incident Reports.*
17. *The Directors of Fisheries Management in all DMP Regions should require that Dockside Monitoring Companies be charged with the responsibility of developing and maintaining site maps for all DMP landing sites.*
 18. *The Director of Fisheries Management in the Gulf Region should require that as a Condition of Licence, estimated weight of catch be included in all hail-ins.*
 19. *The Director of Fisheries Management in the Quebec Region should ensure that fishers and Dockside Monitoring Companies respect the stipulations in the Conditions of Licence of fishers to include estimated catch weight in the hail-in data captured by the Dockside Monitoring Company.*
 20. *The Director of Fisheries Management in the Pacific and Quebec Regions should ensure all Conditions of Licence include the requirement for vessels to hail-in landing time as well as requested off-loading time.*
 21. *The Directors of Fisheries Management in all DMP Regions should ensure that Dockside Monitoring Companies do not accept hail-ins from other parties on behalf of a fisher, unless it is technically impossible for the fisher to contact the Dockside Monitoring Company directly.*
 22. *The Directors of Fisheries Management in the Quebec, Gulf and Newfoundland Regions should ensure that all Dockside Monitoring Companies capture hail information in a database that is directly available to authorized staff in DFO, including Fishery Officers.*
 23. *The Directors of Conservation and Protection in all DMP Regions should ensure that Conservation and Protection staff enter Incident Reports into the Departmental Violations System. Action taken and results of investigations should be recorded in the system. Regional DMP Coordinators should provide at least periodic feedback on action taken to the Dockside Monitoring Companies.*
 24. *The Director of Fisheries Management, Newfoundland Region should eliminate the fixed container weight practice for establishing catch weight under DMP and re-instate the approved DMP procedure of determining the average container weight at each off-loading.*
 25. *The Directors of Fisheries Management in the Newfoundland, Maritimes, Gulf and Pacific Regions should work with Dockside Monitoring Companies to ensure Dockside*

Observers are provided with a distinctive form of clothing that readily identifies them as Dockside Observers.

26. Regional Directors of Fisheries Management should ensure greater focus on the development and use of DMP related information systems to support regional monitoring of DMP processes and Dockside Observer performance.

27. The Directors of Conservation and Protection in all DMP Regions should ensure that a comprehensive audit strategy is developed to regularly monitor the performance of Dockside Observers and related DMP dockside practices.

28. The ADM of Fisheries Management should ensure that training programs for both new recruits, as well as for veteran Fishery Officers, cover all aspects of the DMP that would be necessary to enable Fishery Officers to effectively monitor the Program.