

# Financial Independence for the Canadian Coast Guard

The Canadian Coast Guard's new status as a special operating agency (SOA) in Fisheries and Oceans Canada (DFO) means greater management and financial flexibility to ensure that the organization can continue to provide its valuable services to all users of Canadian waters. The new status keeps Coast Guard as an integral part of DFO, where it benefits from continuing to use common corporate and human resource services, while giving it some autonomy and independence from the rest of the department.

"SOA status is one way for the federal government to improve on how it delivers services," says Kate Fawkes, Deputy Commissioner of the Canadian Coast Guard. "With it, Coast Guard will be able to leverage increased financial flexibility and internal efficiencies to continue providing our vital services to Canadians in the face of increasing demands. Together with the transfer of marine safety and security regulatory policy to Transport Canada, it allows us to really focus our efforts on service delivery."

As an example of how the new status will improve efficiency, Fawkes notes the



PHOTO: MICHAEL MITCHELL, CANADIAN COAST GUARD

*The Cape Mudge docks at Sandspit, one of CCG's new SAR Stations on the west coast (the other is Bella Bella, and there are several new stations on the east coast).*

increased flexibility on contracting for oil spill clean-ups. "The new contracting authority streamlines our ability to contract out for help, allowing a more comprehensive response to the clean-up of spills."

In addition, there is increased flexibility on respending revenues that are collected when Coast Guard cleans an oil spill. This will strengthen the "polluter-pays" principle, and other Coast Guard programs won't have to bear the financial burden when oil spills are cleaned. "In the past, the difference between the costs incurred and the money received by Coast Guard was absorbed by Coast Guard and DFO. That

hindered our ability to fulfill our mandate," says Ms Fawkes.

Many of the changes with the new status will not be noticeable on the front-lines of Coast Guard operations. "In most respects, the change will be invisible to Coast Guard clients and stakeholders. They'll still receive the same great service," she says.

Most of the new changes, authorities and flexibilities impact the way work is done at Coast Guard headquarters in Ottawa, such as the implementation of a rigorous financial management framework. "While we always had an obligation to operate in the most efficient way, our new status really gives us marching orders to track and report on our activities in a more businesslike way."

As always, Coast Guard will continue to receive and respond to feedback from its clients and stakeholders. "Fundamental to our service delivery model, is giving mariners and the marine industry an opportunity to tell us how they think we can improve. We can't operate in a vacuum."

The Deputy Commissioner notes that, along with implementing the new status and improving financial management, there is another key piece in Coast Guard's long-term renewal.

"Fleet renewal – actually being able to deliver our programs and services – is of huge importance," says Fawkes. She notes the government's commitment to this, with almost \$300 million in funding, for 10 new ships, announced in the federal budget in March 2005. **FL**

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