An Evaluation of the EASS Wharf and Marine Assets Disposal Program

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EXECUTIVE SUMMARY

The Engineering Assets Strategy Sector (EASS) Wharf and Marine Assets Disposal Program was created in 2008 with a budget of $25-million under the Department of Public Works and Government Services Canada (PWGSC). The mandate of the program is to dispose of 95 marine and wharf-related assets that have been declared surplus, as they are outside of core PWGSC functions. The program is also designed to reduce any liabilities associated with the assets via either repair or demolition of asset structures. Oversight and strategic direction of the program occur at the national EASS office in Vancouver, B.C., while actual divestiture and repair and demolition activities are carried out on the ground via five regional offices across Canada, located in Vancouver, B.C.; Ottawa, Ont.; Toronto, Ont.; Quebec City, Que.; and Halifax, N.S.

This report presents a formative evaluation of the EASS Wharf and Marine Assets Disposal Program. The program is in its final year and EASS has requested a one-year extension of the program, with an anticipated end date of March 2014. This report seeks to determine whether the program has achieved its intended outcomes to date and how the program’s performance can be improved over the next 1.5 years until the currently anticipated program end.

Methodology

The evaluation framework used in this report was developed using the Treasury Board Policy on Evaluation (effective April 1, 2009), the Treasury Board Directive on the Evaluative Function (effective April 1, 2009), and practices of the PWGSC Audit and Evaluation Branch. EASS program managers were also consulted in the development of the evaluation framework and to corroborate the logic model of the program.

Using the documents and consultations noted above, the following six evaluation questions were formulated:

1. Does the program continue to align with the objectives of the Crown regarding surplus federal real property assets?

2. Does the program support and advance the mandate and strategic objectives of PWGSC?
3. Has the program demonstrated progress toward removing the liabilities associated with assets in the inventory?

4. Has the program demonstrated progress toward divesting the Crown of responsibility for the assets in the inventory?

5. Have the following program design elements been administered efficiently (i.e., are there any gaps or areas of redundancy):
   (i) Communications protocol
   (ii) Reporting protocol
   (iii) Information management protocol

6. Has the program achieved value for money for taxpayer dollars?

This evaluation collected both qualitative and quantitative lines of evidence via interviews, document reviews and a review of core financial and administrative data.

Conclusions

The following presents a summary of the conclusions of this evaluation:

**Conclusion 1:** The EASS Wharf and Marine Assets Disposal program continues to align with the objectives of the Crown regarding surplus federal real property assets.

The Crown’s objectives regarding surplus real property assets are enunciated in the 1985 Nielsen Task Force on Program Review (still being carried out by PWGSC to date) and the Treasury Board Policy on Management of Real Property Assets (effective Nov. 1, 2006). These documents stipulate that all federal real property assets outside of core government functions should be disposed. This aligns with the divestiture objectives of the EASS Wharf and Marine Assets Disposal Program.

**Conclusion 2:** The program supports PWGSC’s strategic objective, as a common service organization to other government departments, to “deliver high quality, central programs
and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.”

The program supports PWGSC’s role as a common service organization to other government departments in a roundabout manner. By divesting leftover surplus assets from a time when PWGSC’s priorities included wharf/marine asset management, the program allows the department to focus on its core mandate as a common service agency. The program supports the department’s objective of sound stewardship through its focus on repairing or demolishing derelict sites carrying a risk to health and safety of employees and the public.

**Conclusion 3:** The program has demonstrated progress in removing the liabilities associated with assets in the inventory.

EASS monitors the health and safety risk ratings of all assets in the EASS Wharf and Marine Assets Disposal Program via semi-annual risk assessments. The assets are rated as either “red critical,” “red,” “yellow,” or “green,” based on both the likelihood of identified health and safety risks occurring and the impact those risks would have on the federal government. “Red critical” indicates the highest liability risk; “green” indicates the lowest risk rating. Overall, the program has shown substantial progress in improving the health and safety status of the assets in its inventory. All regions were initially rated “red” (with the exception of the National Capital Area, whose original risk rating is unknown). Three of the five regions are now rated “green;” one is rated “yellow;” and one continues to be rated “red.”

**Conclusion 4:** The program has demonstrated progress toward divesting the Crown of responsibility for the assets in the inventory.

Since program inception in 2008, the EASS Wharf and Marine Assets Disposal Program has divested 48 of the original 95 assets in its inventory, representing a reduction of 51%. This compares favourably to other divestiture programs at the Department of Fisheries
and Oceans and Transport Canada, which had lower inventory reductions in the same period.¹

**Conclusion 5:** Established communications procedures among senior-level PWGSC officials, the EASS national office and regional program managers are both effective and efficient.

National and regional program managers interviewed in this evaluation agreed that the clearly defined roles and responsibilities of the national and regional leads ensure that there is no duplication of effort and that each party is able to become experts in their mandated communications fields. National and regional program managers also agreed that the correct parties are assigned to the appropriate communications roles, with regional program managers “on the ground” dealing with stakeholders and the national office dealing with media and senior-level officials.

**Conclusion 6:** The current reporting protocol in the EASS Wharf and Marine Assets Disposal Program is streamlined and efficient.

There was consensus among national and regional program managers that given the relative small size and budget of the program, compared to other PWGSC programs, current macro-level reporting to senior departmental officials via quarterly and annual reports is sufficient and effective. There was some concern over the lack of explicit performance metrics involved in program reporting at the micro-level, between regional and national offices, which could aid in assessing and improving program performance.

**Conclusion 7:** Established procedures for information management² in the EASS Wharf and Marine Assets Program require improvement.

¹ This is a high-level comparison of different federal government divestiture programs based solely on number of assets divested. Other factors influencing the ability of each department to divest assets, such as individual asset characteristics and available resources, are not factored into this comparison. Please see the “Findings” section of this report for further details.

² Information management refers to the manner in which program information is collected, organized, accessed and stored for the purposes of this report.
Information management procedures vary amongst national and regional offices in the EASS Wharf and Marine Assets Disposal Program. National program managers indicated some frustration with current informal and unstructured procedures for the management of program information. Some regional program managers felt that current information management procedures were adequate, while others felt the current system needs work.

Overall it appears established procedures for information management require improvement.

**Conclusion 8:** Based on indicative cost savings estimates, the program has achieved value for money for taxpayer dollars.\(^3\)

An indirect comparison of the costs borne by the Crown to divest EASS wharf and marine assets compared to estimated costs the Crown would have incurred with ongoing stewardship was undertaken. Results showed divestiture of wharf and marine assets amounted to total average savings over the next 25 years of $3.4-million when compared to ongoing Crown stewardship.\(^4\)

**Recommendations**

Recommendations to improve program performance are as follows:

**Recommendation 1:** EASS should seek program authority to utilize grants and contributions as part of its divestiture agreements, when warranted.

Other divestiture programs at the Department of Fisheries and Oceans (DFO) and Transport Canada (TC) have the authority to administer grants and contributions as part of their divestiture agreements. Audits and evaluations of these programs, as well as interviews with DFO and Transport Canada program managers, indicate that grants and contributions have been a valuable tool in divestiture negotiations. EASS program

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\(^3\) This report measures Value for Money using an indicative cost savings estimate. It does not use a cost-benefit analysis approach.

\(^4\) Estimated cost savings represent an “order of magnitude” estimate of savings. Readers should consider it an indicative estimate only.
managers indicated overwhelmingly that having the option to administer grants and contributions could help divestiture negotiations move forward for certain assets.

**Recommendation 2:** EASS should seek authority to undertake repairs at a site even in absence of a divestiture agreement in place.

A divestiture agreement currently needs to be in place before EASS can undertake necessary repairs at a site. Program managers expressed strong support in favour of having the option to repair derelict structures even in the absence of a divestiture agreement. They pointed to the department’s responsibility of sound stewardship from a health and safety standpoint, as well as the potential for costly liabilities in the event of structure failure.

**Recommendation 3:** PWGSC should spearhead a campaign to form an interdepartmental working group for wharf and marine assets that would examine smart practices, lessons learned and potential efficiencies among divestiture programs.

Program managers from the EASS, DFO and Transport Canada divestiture programs agreed that an interdepartmental working group could prove beneficial to all parties. The purpose of the group would be to share smart practices and lessons learned and to possibly seek efficiencies in the administration and divestiture of wharf and marine assets. It was noted by all three departments that the remaining assets in their inventories are those most difficult to divest; an interdepartmental working group could allow the three departments to take a “whole of government” approach to the assets, instead of the current siloed approach to asset management.

**Recommendation 4:** Regional program managers should work with EASS communications staff to develop issues management notes for those assets that demonstrate potential for emerging risks and related issues.

It was noted in interviews with regional program managers that there was some frustration with the length of time it took for briefing notes to be developed and approved to deal with an arising issue. In order to improve this situation, it is recommended that
regional program managers work with EASS communications staff to develop issues management notes for those assets that demonstrate potential for arising issues. These issues management notes should be developed before any issues arise, so that communications lines can be readily in place in the event that they are needed.

**Recommendation 5:** Regional program managers should explore the use of public-private partnerships (P3) as a potential divestiture option.

A divestiture of a public wharf in Nova Scotia recently occurred via a P3 arrangement between a private company and a municipality. Feedback on the P3 from the municipality is positive and the deal demonstrates that low-dollar-value P3s are possible for wharf and marine assets. To date P3 arrangements have not been looked at as a viable option in the EASS Wharf and Marine Assets Disposal Program. Regional program managers should explore the use of a P3 arrangement at their assets, as this could prove to be an innovative divestiture option for those assets that have proved difficult to divest.

**Recommendation 6:** EASS should build a wharves program database, accessible to both national and regional program managers, to better meet its information management needs.

Program managers at both the regional and national level expressed support for creation of a centralized database that would house all EASS Wharf and Marine Assets Disposal Program information. This database would serve as a “one-stop shop” for all program data and would be accessible to both regional and national program managers. Platform options for building the centralized database include the internal PWGSC shared drive or the newly implemented Electronic Documents and Records Management (EDRM) system, which offers PWGSC-wide electronic document management capabilities.

*Report Limitations*

In some cases the collection of financial and administrative data in this evaluation proved difficult, as data were not readily available or did not exist. Where data gaps existed, this
evaluation attempted to use appropriate estimates when possible. While all estimates were based on logical assumptions, there is no guarantee that estimates accurately reflect program realities. All estimates used in this report are clearly identified as “indicative estimates only,” so as to call attention to their potential for inaccuracy.

Due to time and resource constraints, this evaluation does not contain interviews with external stakeholders or specific case studies. These additional lines of evidence would have strengthened this evaluation and may have ultimately changed the evaluation’s findings and recommendations.

This evaluation focuses solely on the EASS Wharf and Marine Assets Disposal Program that began in 2008. Predecessor programs were not evaluated in this report due to a lack of available data. A review of previous program efforts would have strengthened this evaluation and also would have potentially influenced the evaluation’s findings and recommendations.
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1. INTRODUCTION

The Government of Canada defines evaluation as the “systemic collection and analysis of evidence on the outcomes of programs to make judgments about their relevance, performance and alternative ways to deliver them or to achieve the same results” (“Treasury Board Policy on Evaluation,” 2009). Through evaluation, the Government of Canada is able to foster an environment of accountability, whereby it is able to demonstrate the success or shortfalls of the programs it administers. Evaluation also serves to inform future government decisions regarding program management, based on evidence that is intended to be neutral. Evaluation is an important analytical tool in the Government of Canada that is intended to contribute to evidence-informed decision-making (TBS, 2009).

The EASS Wharf and Marine Assets Disposal Program was created in 2008 with a budget of $25-million under the Department of Public Works and Government Services Canada (PWGSC). The objectives of the program were to dispose of selected surplus marine and wharf-related assets and to reduce any liabilities associated with the assets via repair or demolition of asset structures. To date, an evaluation of the program has not occurred. The purpose of this evaluation is to take stock of the EASS Wharf and Marine Assets Disposal Program to establish whether the program has achieved its intended outcomes and how the program’s performance can be improved in the future. It seeks to establish what has happened (how the program has been implemented), what aspects of the program have been effective, what aspects need improvement, and ultimately what recommendations are feasible and appropriate, given the evaluation findings.
2. BACKGROUND

2.1 Engineering Assets Strategy Sector

Engineering Assets Strategy Sector (EASS) was created in 2008 under the Real Property Branch of PWGSC. Its mandate is to manage a portfolio of specialized engineering assets (bridges, dams, wharves) which have been under divestiture order since the mid-1980s. The primary function of the office is twofold: 1) To undertake necessary repairs to the portfolio of assets to mitigate current health and safety risks; and 2) To carry out and complete negotiations for the divestiture of all inventory assets. Prior to the creation of EASS, the responsibility and accountability for these assets rested with the various regional offices of PWGSC (PWGSC, 2011b).

2.2 Relevant Reports and Policies

There are two core documents that govern the mandate and actions of EASS and, more specifically, the EASS Wharf and Marine Assets Program: The Nielsen Task Force Report (1985) and the Treasury Board Policy on Management of Real Property (effective November, 2006).


In 1984, newly elected Prime Minister Brian Mulroney followed up on a campaign promise to review federal government operations by forming a special task force that would review the operations of all federal government departments. He appointed Deputy Prime Minister Erik Nielsen to lead the task force; other notable members included Justice Minister John Crosbie, Treasury Board President Robert de Cotret and Finance Minister Michael Wilson. The goal of the task force was to “produce a profile of government programs in each department which is simpler, more understandable and more accessible to their clientele” (“Nielsen Task Force to Study Operation of All Departments,” 1984).

In May, 1985, the Nielsen Task Force produced a study team report on the management of the federal government’s real property assets under the stewardship of Public Works Canada.
The overall finding of the report was that Public Works Canada should divest all assets deemed to be outside the core functions of the federal government (Canada, Parliament, 1985).

Section 10 of the Report: Marine Programs, noted that the federal government owned thousands of marine assets across the country; the vast majority of which were inefficient, expensive to operate and of very little economic benefit to society. The report recommended that the federal government divest these assets to other levels of government better suited to own and manage them. Should no other level of government be interested in managing the assets, the report recommended exploring the disposal of marine assets to the private sector in the event that there were short or long term gains to be had (Canada, Parliament, 1985).

Recommendations in the Nielsen Report continue to be implemented to date, and the report remains the cornerstone for the actions and mandate of EASS as a whole, and the EASS Wharf and Marine Assets Disposal Program more specifically.

For further details on the PWGSC chronology of events regarding divestiture, please see Appendix 1.

_Treasury Board Policy on Management of Real Property (effective November, 2006)_

The Treasury Board Policy on Management of Real Property outlines the overall aim of the Government of Canada regarding real property management and administration. It promotes management of real property assets in a manner that fosters sound stewardship, ethical behaviour and sound management practices. It also states that all real property is to be managed so as to fulfill the Government of Canada’s legal obligations regarding First Nations, and to ensure that the “Honour of the Crown is upheld” (“Policy on Management of Real Property,” 2006).

Regarding surplus real property, _Section 6.1.14_ of the policy states: “Real property surplus to program requirements is not retained. The type of right or interest in the property will dictate the most appropriate means of cessation of occupancy or disposal” (“Policy on Management of Real Property,” 2006).
2.3 EASS Wharf and Marine Assets Disposal Program

The EASS Wharf and Marine Assets Disposal Program was created in 2008 along with the inception of EASS. The program was allocated $25-million over five years to dispose of 95 marine and wharf-related assets that were carry-over assets from a previous PWGSC wharf disposal program. The program is presently in its final year and EASS has requested a one-year extension of the program, with an anticipated end date of March 2014.

2.3.1 Predecessor Program

From 1989 – 2005, the department then known as Public Works Canada (PWC) administered the Wharf and Marine Structure Program. Under this program, PWC was tasked with disposing of some 300 wharf and marine assets that were declared to be outside the core government functions of PWC (PWGSC, 2011a). Between 1989 to 2005, PWC divested approximately 205 wharf and marine assets under this program.

A follow-up report on past PWC disposal efforts indicated that the success of the Wharf and Marine Structure Program was largely due to the “transferability” of the assets that were divested; namely, those assets that were most desirable (i.e., in the best condition and had the best potential for use) were disposed of under this program. The remaining assets, which became part of the current EASS Wharf and Marine Assets Disposal Program, were recognized as having limited potential for transfer and/or disposal due to their remote location; ongoing and future liabilities; and the limited number of willing divestiture candidates (PWGSC, 2010c).

2.3.2 Terms and Conditions

The current EASS Wharf and Marine Assets Disposal Program is governed by separate terms and conditions than those outlined for the major engineering assets of EASS. Its terms and conditions are as follows:

- EASS is allocated $25-million over five years for the disposal of remaining surplus wharf and marine assets in the PWGSC inventory.
• PWGSC can fund the repair or demolition of a wharf and marine asset site, with maximum funding per site capped at $1-million.
• Funding for the repair of a site may not exceed the cost of demolition.
• In order for PWGSC to undertake necessary repairs at a site, a divestiture agreement must be in place.

The primary difference between the terms and conditions for major engineering assets and those for the Wharf and Marine Assets Disposal Program is that PWGSC can only undertake repairs at a wharf/marine site when a divestiture agreement is already in place. This stipulation does not exist in the terms and conditions for the inventory of major engineering assets.

In cases where there is a health and safety threat to the public at an asset where a divestiture agreement is currently not in place, EASS may seek special authority on an ad hoc basis to undertake necessary repairs. There have been isolated occurrences of this in the program.

**2.3.3 Program Structure**

The EASS Wharf and Marine Assets Disposal Program is administered by PWGSC officials at both the national and regional levels. The national office is based in Vancouver, B.C., and is responsible for the overall strategy and direction of the program, including the administration of funds and overall program reporting. At the regional level, there are five offices that help to deliver the program: Pacific (Vancouver, B.C.); Ontario (Toronto, Ont.); National Capital Area (Ottawa, Ont.); Quebec (Quebec City, Que.); and Atlantic (Halifax, N.S.). Representatives from these five regions are responsible for the “on-the-ground” work of the program, including divestiture negotiations, tenure research and the carrying out of demolition and repair activities.

Please view Appendix 2 for an organizational chart of the program.

Each year national and regional representatives work together to develop programs of work (POWs) and memorandums of understanding (MOUs) for the upcoming year. The POWs outline the specific tasks that regional leads plan to undertake in the coming year at each of
their assets, along with the expected financial resources that will be needed. The MOUs establish a general framework outlining the roles and responsibilities of the regional and national representatives for the upcoming year.

2.3.4 Program Activities

There are three primary activities undertaken in this program: research on property tenure; repair or demolition of wharf and marine structures; and divestiture negotiations.

1. Property tenure research

Many of the 95 remaining assets in the original 2008 inventory from the start of the current program had unclear land tenure and ownership details associated with the properties. In order to divest these assets, PWGSC had to ensure that it actually owned them. In some cases, PWGSC was not the original owner of the asset, but had inherited it as the “custodian of last resort.” In other cases, the property was discovered to be under the mandate of another federal government department and PWGSC had simply been maintaining the property over the years.

Substantial research in the initial years of the EASS Wharf and Marine Assets Program went into establishing the exact ownership of the assets that did not have formal tenure documentation. In the event a property was discovered to be under the administration and control of another party, such occurrence was noted and documented, and the asset was removed from the EASS Wharf and Marine Assets inventory.

2. Repair or demolition of structures

Many of the assets in the inventory were in a state of disrepair when transferred to the EASS Wharf and Marine Assets inventory in 2008. As one of the primary functions of the program is to reduce the liabilities to the Crown associated with these assets, much of the work in the program goes into formulating plans and studies on the potential repair or demolition of structures associated with these assets. EASS examines a host of factors when assessing the possibility of structure repair or demolition, including stakeholder
reaction, economic benefit to the Crown, economic benefit to the local community, and environmental impact, among others.

After the pertinent studies have been performed, a decision is then made to repair, demolish or leave the structure in its present condition. Should repair or demolition be the chosen path, EASS regional representatives oversee these projects with the help of PWGSC professional and technical services.

It should be further noted that while EASS is able to demolish any structures it deems eligible, it can only undertake repairs to structures after a divestiture agreement has been put in place with a third party. In cases where there is a health and safety threat to the public at an asset where a divestiture agreement is currently not in place, EASS may seek special authority on an ad hoc basis to undertake necessary repairs. There have been isolated occurrences of this in the past.

3. Divestiture negotiations

The third program activity involves the negotiation of divestiture agreements with third parties willing and able to take over the assets. As per program requirements, assets are first offered to other federal government departments which may be interested in acquiring the assets. If no other federal department is interested in the assets, they are then offered to other parties in the following order: provincial and territorial governments; local municipalities; and finally the private sector.

Divestiture negotiations follow a procedure outlined in the Treasury Board of Canada’s Guide to the Management of Real Property. Negotiators must first perform the necessary due diligence before entering into any agreements with third parties. This due diligence involves the following tasks:

- Legal analysis (including aboriginal risk assessment);
- Environmental assessment;
- Heritage value assessment;
- Analysis of obligations related to the Species at Risk Act;
- Analysis of surface and subsurface rights related to the asset; and
- Miscellaneous technical studies, as required (TBS, 2011).

Further details on Treasury Board procedural requirements related to the divestiture of surplus real property can be found in Appendix 3.

After performing the required due diligence, divestiture negotiators are required to consult with all relevant stakeholders to ensure their views and opinions are factored into any future decisions made. Program managers must also obtain a valuation of the asset slated for disposal, prior to divestiture.

For further information on how these activities relate to the outputs and ultimate outcomes of the program, please see the program’s logic model in Section 3.

2.3.5 Asset Descriptions

Assets in the EASS Wharf and Marine Assets inventory vary in size, use and condition. Some assets contain kilometres of marine structure, while others comprise a small parcel of land with old wharf remnants. Examples of the types of assets in the inventory include the following:

- Dykes;
- Timber piles;
- Rock mound river training structures;
- Boat launching ramps;
- Wharves;
- Islands;
- Weirs;
- Dams;
- Breakwaters.
Conditions of the assets vary according to past use and past maintenance efforts. The majority of sites were in poor condition when transferred to the EASS inventory in 2008 (PWGSC, 2011a).

Use of the assets also varies from location to location, with some assets contributing a core function to local communities, and others no longer serving any public use. Examples of asset use include water and flood control; river navigation; marine transportation; shore erosion protection; and access to harbours (PWGSC, 2011a).

Please see Appendix 4 for a complete list of the original 95 assets and their associated structures.

### 2.3.6 Asset Locations

Of the original 95 assets in the EASS Wharf and Marine Assets inventory, 80% were located in Pacific and Atlantic regions and the remaining 20% were located in Quebec and Ontario. The majority of the current inventory is in Pacific region (51%), followed by Ontario and Quebec (30%), and Atlantic region (19%), as illustrated in Table 1.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Pacific (British Columbia)</td>
<td>38</td>
<td>24</td>
</tr>
<tr>
<td>Atlantic (Nova Scotia, New Brunswick, Newfoundland)</td>
<td>38</td>
<td>9</td>
</tr>
<tr>
<td>Quebec</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Ontario</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>National Capital Area</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95</strong></td>
<td><strong>47</strong></td>
</tr>
</tbody>
</table>
3. DIVESTITURE PROGRAM LOGIC MODEL

**Activities**
- Research on property tenure
- Repair or demolition of wharf and marine structures
- Divestiture or disposal negotiations

**Outputs**
- Confirmation that PWGSC does not hold tenure
- Repaired or demolished wharf and marine structures
- Agreements of sale or transfer to third parties

**Short-Term Outcome**
- Removal of liabilities associated with property and/or structure

**Medium-Term Outcome**
- Decreased costs associated with the operation and maintenance of the assets

**Long-Term Outcome**
- Management of PWGSC real property assets in accordance with sound stewardship and value-for-money principles
4. METHODOLOGY

4.1 Evaluation Framework

The evaluation framework used in this report was developed using the Treasury Board Policy on Evaluation (effective April 1, 2009), the Treasury Board Directive on the Evaluative Function (effective April 1, 2009), and practices of the PWGSC Audit and Evaluation Branch. EASS program managers were also consulted in the development of the evaluation framework to ensure specific areas they wished to be evaluated were addressed.

Using the documents and consultations noted above, the following six evaluation questions were formulated:

1. Does the program continue to align with the objectives of the Crown regarding surplus federal real property assets?

2. Does the program support and advance the mandate and strategic objectives of PWGSC?

3. Has the program demonstrated progress toward removing the liabilities associated with assets in the inventory?

4. Has the program demonstrated progress toward divesting the Crown of responsibility for the assets in the inventory?

5. Have the following program design elements been administered efficiently (i.e., are there any gaps or areas of redundancy):
   
   (iv) Communications protocol
   (v) Reporting protocol
   (vi) Information management protocol

6. Has the program achieved value for money for taxpayer dollars?

Please see Appendix 5 for a more detailed account of the evaluation matrix used in this report.

4.2 Lines of Evidence

This evaluation collected both qualitative and quantitative data via interviews, document reviews and a review of core financial and administrative data.
Interviews

A total of nine interviews were conducted as part of this evaluation. Interviewees included two national program managers; five regional program managers; and two representatives from the DFO Small Craft Harbours Program and the Transport Canada Port Divestiture Program, respectively. A copy of interview questions used in this evaluation can be found in Appendix 6.

Interviews were conducted both in person and over the phone. They lasted between 30 minutes to one hour, depending on the depth of responses from interviewees. All interviews were recorded and later transcribed.

Interview results were coded by relevant themes that occurred throughout interviewee responses (for example, “the EASS Wharf and Marine Assets Program communications protocol is effective” or “grants and contributions could aid in achieving program outcomes”). Below each theme the number of respondents who indicated support for such theme was listed, as well as details on the answers provided by interviewees. In general there was relatively broad consensus among interviewees across most themes. Any disagreements or varying points of view related to the themes were also noted and are outlined explicitly in this report in order to ensure that all viewpoints are represented.

Document Review

This evaluation undertook an extensive review of documentation related to the EASS Wharf and Marine Assets Disposal Program and similar programs (namely the DFO Small Craft Harbours Program and the Transport Canada Port Divestiture Program). Strategic documents, annual and quarterly reports, Parliamentary reports, internal and external PWGSC reports, departmental websites, relevant news stories, previous PWGSC internal audits, and relevant Treasury Board policies, guidelines and directives were reviewed and incorporated into this evaluation.

Financial and Administrative Data Review

This evaluation drew on internal EASS financial and administrative data to provide the most up-to-date program figures related to costs and risk ratings of assets.
4.3 Limitations

In some cases the collection of financial and administrative data proved difficult, as data were not readily available or did not exist. Where data gaps existed, this evaluation attempted to use appropriate estimates when possible. While all estimates were based on logical assumptions, there is no guarantee that estimates accurately reflect program realities. All estimates used in this report are clearly identified as “indicative estimates only,” so as to call attention to their potential for inaccuracy.

Due to time and resource constraints, this evaluation does not contain interviews with external stakeholders or specific case studies. These additional lines of evidence would have strengthened this evaluation and may have ultimately changed the evaluation’s findings and recommendations.

This evaluation focuses solely on the EASS Wharf and Marine Assets Disposal Program that began in 2008. Predecessor programs were not evaluated in this report due to a lack of available data. A review of previous program efforts would have strengthened this evaluation and also would have potentially influenced the evaluation’ findings and recommendations.
5. REVIEW OF OTHER DIVESTITURE PROGRAMS

Asset divestiture has been a prevalent theme in the management of federal real property since the completion of the Nielsen Report in 1985. Since that time, various federal divestiture programs have been put into place, predominantly at PWGSC, Transport Canada and the Department of Fisheries and Oceans. Individual divestitures, unrelated to any specific program, have also occurred.

This literature review focuses primarily on marine-related divestitures, as their similar characteristics to the EASS Wharf and Marine Assets Disposal Program best allow for transfer of smart practices and lessons learned.

5.1 Marine Assets Divestiture Programs

5.1.1 Transport Canada Port Divestiture Program

The Transport Canada Port Divestiture Program (PDP) was initiated in 1996 as part of the National Marine Policy, which sought to update and improve Canada’s marine infrastructure. As part of this initiative, the PDP was established to transfer ownership of select ports to other parties that were better suited to operate and maintain the assets. Potential divestiture partners included other federal government departments, as well as provincial and municipal governments (Transport Canada [TC], 2005).

The terms and conditions of the PDP established two funds: the Port Divestiture Fund (PDF) and the Port Transfer Fund (PTF). The purpose of the PDF was twofold: 1) to fund work that would bring the ports into line with current health and safety standards; and 2) to assist potential divestiture partners in taking over the facility. The PTF was established as a separate fund for Transport Canada workers to draw from to support divestiture effort expenses such as environmental assessments, land surveys and property title inquiries (TC, 2005).

Properties in the PDP are first offered to other federal government departments, followed by provincial and territorial governments, and subsequently to local governments. If there is no
interest from these parties, the port may be sold at a public auction. If no interest is garnered from the public auction, the department then considers demolition of the site, depending on its use and the risk it poses to health and safety (TC, 2005).

Transport Canada has used a financial contribution for the majority of transferred sites, whereby the divestiture partner receives funding to bring the facility up to minimum health and safety standards. Funds from the contribution agreement may also be used to help cover costs of the acquisition, or specified operating costs (TC, 2005). As part of this process, divestiture partners must submit Annual Verification Statements to Transport Canada which outline the activities undertaken at the site that year. The department also performs audits on all ports that are subject to a contribution agreement to verify the appropriate use of funds (TC, 2005).

The program has made considerable progress since its inception, decreasing its total inventory from 549 port facilities in 1996 to 78 assets in 2008. Between 2008 to 2012, the department divested 17 assets from its inventory, reducing its total from 78 to 61 sites (TC, 2012). The reader should note that ports are not part of the EASS Wharf and Marine Assets Disposal Program.

Noteworthy elements of the PDP program are as follows:

- The program has greatly benefited from the use of contribution agreements when transferring sites to local interests. As of November, 2009, the program had divested 128 ports to local interests, with 104 of those transactions involving a contribution agreement (TC, 2009).
- The program offers pre-transfer contribution funding in some instances, which allows divestiture candidates to undertake necessary due diligence or feasibility studies prior to transfer (TC, 2009).
- A 2009 audit of the program indicated that there are 27 remote ports in the PDP inventory that will likely not be divested due to their remote location (TC, 2009).
- The PDP is structured similar to the EASS Wharf and Marine Assets Disposal Program, with headquarters providing strategic direction and regional leads carrying out
administration of the program at the ground level, including the negotiation of transfer agreements (TC, 2009).

- The program uses a “Crown No Worse Off” financial model, whereby a divestiture will only occur if the federal government will not be left in a worse off position had it maintained the port itself. Using this model, a contribution agreement will always be less than the amount the federal government would have spent on a site had a divestiture not occurred (TC, 2009).

- Aboriginal land claims have affected the PDP’s ability to carry out transfers in some instances. In order to move the process forward, Transport Canada has formulated an aboriginal consultation model that requires regional leads to investigate aboriginal rights or title prior to completing transfer negotiations. In some instances the department has worked to get First Nations representatives on the boards of harbour authorities, such as the Board of the Greater Victoria Harbour Authority, which owned several Transport Canada ports in that area (TC, 2005).

5.1.2 DFO Small Craft Harbours Program

The Department of Fisheries and Oceans’ Small Craft Harbours Program (SCHP) was created in 1995, with the goal of decreasing the federal government's costs associated with recreational and low-activity harbours (Weston, 2009). This initiative formed part of the Liberal government reductions to government programs that occurred during the mid-1990s. The program began with 844 recreational harbours in its inventory, with the vast majority of those assets located in Quebec and Ontario (652 sites). This figure was reduced to 177 assets by 2008. Between 2008 and 2012, the department divested a further 25 sites, bringing its present inventory count to 152 harbours (DFO, 2012).

The program is similar to that of Transport Canada’s PDP in terms of both organization and structure. Under the SCHP, properties are first offered to other federal departments, followed by provincial governments and local municipalities. If there are no interested government parties, the properties are then offered to the private sector through a tendering process. The program is administered via a national office in Ottawa and five regional offices spread across the country (Weston, 2009). Sites needing repair are either repaired prior to transfer, or post-
transfer via provision of grant money to the divestiture candidate (Department of Fisheries and Oceans [DFO], 2011).

Noteworthy elements of the SCHP are as follows:

- To date, most of the program’s assets have been transferred to local municipalities and non-profit organizations of small coastal towns (Weston, 2009). Municipalities have generally been most interested in the sites, as they are usually in the best position to make decisions regarding site management and operation. Under the DFO SCHP, new harbour owners are required to maintain public access to the site and its services for the subsequent five years after transfer completion (DFO, 2011).

- The program has made use of the Federal Contaminated Sites Action Plan (FCSAP), a program administered by Environment Canada that provides funding for the remediation of federal contaminated sites (Government of Canada, 2012). For example, it received $8-million from the FCSAP program to remediate the Belleville Small Craft Harbour in Ontario. The site was contaminated with different metals and petroleum hydrocarbon elements from previous industrial activities at the site (Weston, 2009).

- DFO undertakes extensive consultations with local governments, First Nations, community groups, harbour users and any other affected parties prior to completing any transfer arrangement. The average consultation time is roughly two years, in order to give all interested parties a chance to express their opinions and concerns (Canada Gazette, 2011).

- The DFO SCHP uses grants, in some instances, to divest its small craft harbours. A 2006 combined evaluation and audit of the grants program showed demand for grant agreements exceeded initial forecasts, demonstrating the popularity of the option with local municipalities. The combined evaluation and audit found that grants permitted local communities that did not have the required funding to upgrade and manage facilities relevant to the needs of the community. It was found that without the grant mechanism, these facilities would have otherwise remained with the DFO inventory (DFO, 2006).
5.2. Individual Marine Asset Divestiture Arrangements

5.2.1 Old Welland Canal

PWGSC divested the Old Welland Canal in Ontario to the City of Welland in 1999. PWGSC acquired the canal in the 19th century, but had put very little funding into ongoing maintenance and repair over the years. By the time it had been declared an underperforming asset slated for divestiture, it had fallen into a significant state of disrepair (PWGSC, 2010a). The canal’s divestiture did not form part of any specific PWGSC divestiture program. The asset had been declared "surplus" due to its status as an underperforming and low value asset; as such, it was subject to divestiture (PWGSC, 2010a).

Under the divestiture agreement PWGSC arranged, the City of Welland paid $1.00 for the canal and PWGSC agreed to contribute up to $18.7-million over the subsequent 15 years to help cover expenses related to operations and maintenance and potential environmental remediation (PWGSC, 2010a).

A follow-up smart practices and lessons learned study on the divestiture noted that the involvement of a local politician in the divestiture negotiations greatly influenced the success of the divestiture. Local Member of Parliament Gilbert Parent took an interest in the canal's future early on and spearheaded negotiations for the divestiture of the canal to the City of Welland (PWGSC 2010a).

The smart practices and lessons learned study also noted the importance of a stakeholder engagement plan in the divestiture process (PWGSC 2010a). In the case of the Old Welland Canal, there were a multitude of stakeholders that held both personal and economic attachment to the site, including local interests and environmental groups. Balancing the concerns and input of all stakeholders was a difficult task for negotiators, and a comprehensive and formal stakeholder engagement plan proved beneficial in this regard (PWGSC 2010a).
5.2.2 Public Port Facility of Pugwash

Transport Canada divested the Public Port Facility of Pugwash in Pugwash, Nova Scotia, in October, 1999, after a two-year period of negotiations. It transferred the port to its sole user, a private company called the Canadian Salt Company Limited, which used the port to ship its salt products to other locations. Canadian Salt Company paid $410,000 for the port and its associated water lot. A report completed prior to the transfer indicated that the port facilities required $300,000 in necessary repairs; the cost of these repairs was to be borne by the new owner, Canadian Salt Company (PWGSC 2010b).

Prior to divesting the port, Transport Canada advertised the divestiture of the facility in local and regional newspapers, seeking expressions of interest from the public on the potential divestiture. It also held a formal public consultations meeting in December, 1997, in order to give citizens a chance to express their opinions and concerns (PWGSC 2010b).

A follow-up smart practices and lessons learned study on the divestiture noted that there was public concern over the possibility of the port being transferred to a private company. The primary concern of citizens was that Canadian Salt Company would restrict public access to the port (PWGSC 2010b).

The advertisements in local newspapers and the formal public consultations process proved beneficial in this regard, as Transport Canada and Canadian Salt Company were able to address public concerns prior to the transfer; namely that operation of the port would remain unchanged and that Canadian Salt Company was planning on dedicating a specific portion of the site for community use during public events (PWGSC 2010b).

5.2.3 Western Shore Public Wharf

In December, 2011, the municipality of Chester, Nova Scotia, entered into a public-private partnership arrangement with Dexter Municipal Group of Companies, a private firm, for its Western Shore Public Wharf. The arrangement was a “lease with option to purchase” agreement, whereby if the private enterprise invested $400,000 in necessary repairs at the wharf over a five-year term, it would have the option to buy the wharf for $1. Covenant
agreements built into the deal ensured that the public would always have access to the wharf (Jacobs, 2012a).

The Municipality of Chester decided to enter into the arrangement after an engineering report suggested that it would cost roughly $1-million to bring the wharf up to current safety standards. As the municipality had a funding shortfall, the public-private arrangement proved to be the best option to undertake the necessary repairs (Jacobs 2012a).

The wharf reopened in June, 2012, after the private firm had conducted the necessary repairs. Feedback from local councillors and the public was positive. According to local Councillor Bob Myra: “They did a super job, and the key is it was at no cost to the municipality or the taxpayers. Without Dexter’s deal I don’t know if we’d have a wharf right now” (“Western Shore Wharf Reopens to the Public,” 2012).
6. FINDINGS

The findings noted below are based on qualitative and quantitative data collected from interviews, document reviews and a review of core financial and administrative data.

1. Does the EASS Wharf and Marine Assets Disposal Program continue to align with the objectives of the Crown regarding surplus federal real property assets?

**Finding:** The program continues to align with the objectives of the Crown regarding surplus federal real property assets.

A review of Crown policy regarding surplus real property and results from interviews with program managers indicates that the EASS Wharf and Marine Assets Disposal Program continues to align with the objectives of the Crown regarding surplus federal real property assets.

The 1985 Report of the Task Force on Program Review advised the department then known as Public Works Canada to divest itself of all real property assets deemed to be outside the core functions of the federal government. Specifically, it advised the department to divest itself of all engineering assets, including dams and bridges, which were no longer needed to carry out PW programs (PWGSC, 2006). The recommendations of the Nielsen Report regarding real property are still being carried out today by PWGSC, in accordance with the *Policy on Management of Real Property (effective Nov. 1, 2006)* Section 6.1.14 which states “Real property surplus to program requirements is not retained (“Policy on Management of Real Property,” 2006). The actions and mandate of the EASS Wharf and Marine Assets Program is to divest or dispose of all assets in its inventory, thus aligning with the Crown’s policy regarding surplus real property assets.

Results from interviews with regional and national program managers further support that the EASS program continues to align with the objectives of the Crown regarding surplus assets. Most program managers noted that these assets have been under divestiture order since the mid-1980s, and that this program is a way to focus on fulfilling that order; others noted that the program aligns with policy and recommendations found in the Nielsen Report and the Treasury Board *Policy on Management of Real Property (effective Nov. 1, 2006)*. One program manager
called the program “long overdue,” while another stated “the federal government doesn’t want to be in the wharf business anymore.”

There was one differing opinion amongst the program managers. One individual thought that the program did not align very well with current government priorities with regard to program efficiencies. The individual noted that PWGSC, the Department of Fisheries and Oceans and Transport Canada are all delivering similar programs with similar mandates. This does not accord with federal government priorities to make programs more efficient, as there are three sets of overhead for three different programs that, in the program manager’s view, could be delivered under one program.

2. Does the program support and advance the strategic objectives of PWGSC?

   Finding: The program supports PWGSC’s strategic objective, as a common service organization to other government departments, to deliver “high quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.”

According to its 2012-13 Report on Plans and Priorities, PWGSC is a common service organization providing government departments, boards and agencies with support services for their programs (procurement services, office accommodation, translation services, etc.). PWGSC’s strategic objective in this regard is to deliver “high quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions” (“PWGSC 2012-13 Report on Plans and Priorities,” 2012).

A review of program results and results from interviews with program managers indicate that the EASS Wharf and Marine Assets Disposal Program supports and advances the strategic objectives of PWGSC.

Most program managers noted during interviews that PWGSC’s mandate is to provide common services for other federal departments – not to manage wharf and marine sites across the country. Since the aim of the EASS Wharf and Marine Assets Disposal Program is to divest these assets so that they are no longer under PWGSC responsibility, most program managers agreed that the
The program does support PWGSC priorities in a roundabout way. They noted that divestiture allows PWGSC to focus on its core mandate as a common service agency by divesting of those leftover surplus assets from a time when PWGSC’s priorities included wharf and marine asset management.

A review of program risk assessment data indicates that the program also supports PWGSC’s priority of “sound stewardship on behalf of Canadians.” Since project inception, a priority of the program has been to repair or demolish derelict sites carrying a risk to health and safety of employees and the public. The program has made considerable progress in this area, as is evidenced by improvements to the health and safety risk ratings of the various assets. Please see Question 3 below (“Has the program demonstrated progress toward removing the liabilities associated with assets in the inventory?”) for further details on the risk assessment process and improvements to the health and safety risk ratings of the wharf and marine assets.

3. Has the program demonstrated progress toward removing the liabilities associated with the assets in the inventory?

**Finding:** The program has demonstrated progress in removing the liabilities associated with the assets in the inventory, as reflected in the improvements to the health and safety risk ratings associated with the assets.

EASS monitors the health and safety risk ratings of all assets in the Wharf and Marine Assets Program via a semi-annual risk assessment. In these risk assessments, regional program managers are responsible for reporting updated data to the national office on the health and safety status of their respective assets. Regional program managers base their assessments on condition reports carried out by third party consultants, physical site assessments and completion of demolition and repair efforts at their assets.

EASS defines health and safety risk as the risk to the health and safety of the public and employees due to structural or equipment failure which may result in death or injury within five years. Regional program managers assess sites as either “red critical,” “red,” “yellow,” or “green,” based on both the likelihood of an identified risk occurring and the impact it would have on the federal government. Regional program managers assess both “likelihood” and “impact”
of risk as either “low,” “medium,” or “high.” Guidelines of what constitutes a “low,” “medium,” and “high,” risk do not exist. Regional program managers use their individual judgement on a site-by-site basis as to what constitutes a “low,” “medium,” or “high” risk to the health and safety of the public and employees. Figure 1 demonstrates the legend that is used to categorize risk:

![Risk Assessment Legend](image)

Risk assessment results are reported on a regional basis and reflect the highest risk rating that exists at any individual property in the region. If any property carries a “red” risk rating, the entire region is classified as “red”; similarly if any property carries a “yellow” risk rating, the entire region is classified as “yellow.” Table 2 illustrates the changes to the regional risk ratings of the Wharf and Marine Assets Disposal Program from project inception in 2008 to November 2012.  

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5 Changes to the regional risk ratings are based on condition reports carried out by third party consultants, physical site assessments and completion of demolition and repair efforts at the sites. All changes to the risk ratings are made by a “risk assessment chair,” charged with ensuring the health and safety of all EASS assets. This chair is not involved with the EASS Wharf and Marine Assets Disposal Program and provides an added neutral lens to the risk assessment process.
Table 2: Regional Wharf and Marine Assets Disposal Program Health and Safety Risk Ratings

<table>
<thead>
<tr>
<th>Region</th>
<th>2008 Risk Rating</th>
<th>November 2012 Risk Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quebec</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ontario</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCA</td>
<td>Unknown</td>
<td></td>
</tr>
<tr>
<td>Pacific</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: NCA assets were added to the EASS inventory after 2008. Their original risk ratings are unknown.

Overall the program has shown substantial progress in improving the health and safety status of assets in its inventory. All regions were initially rated “red” (with the exception of NCA, whose original risk rating is unknown), due to the high health and safety risks assessed at their respective assets. Since program inception, the region with over half of the program’s assets (Pacific Region) is now rated “green,” along with NCA and Quebec regions.

The “red” risk rating in Atlantic Region is due to one property that has not yet undergone the necessary repairs needed to improve health and safety. There are also two other properties in Atlantic Region that carry “yellow” risk ratings. Projects are underway to improve the risk ratings of these assets.

Ontario Region is rated “yellow” because one of its properties has not yet undergone the necessary repairs to bring it to “green” status. All other properties in Ontario Region are rated “green.”

Interviews with regional managers revealed that at one of the sites in Ontario, program managers have been unable to order the necessary repairs, as the terms and conditions of the program state that repairs can only be undertaken after a divestiture agreement is in place. This property has proved difficult to find a divestiture party for, and thus has remained in its original state of disrepair. In this regard, any improvements to this property would require a change to the
original terms and conditions of the program, allowing EASS to undertake necessary site repairs without a divestiture agreement in place, or an ad hoc request for special authority to undertake necessary repairs at the site.

4. Has the program demonstrated progress toward divesting the Crown of responsibility for the assets in the inventory?

**Finding:** The program has demonstrated progress toward divesting the Crown of responsibility for the assets in the inventory, as reflected in the number of assets divested to date.

Since the start of the program, the EASS Wharf and Marine Assets inventory has decreased from 95 assets to 47 assets, as illustrated in Table 2. This represents a reduction of approximately 51%.

**Table 2: Number of Sites in Wharf and Marine Assets Inventory**

<table>
<thead>
<tr>
<th>Date</th>
<th>Atlantic</th>
<th>Quebec</th>
<th>NCA</th>
<th>Ontario</th>
<th>Pacific</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>38</td>
<td>1</td>
<td>7</td>
<td>11</td>
<td>38</td>
<td>95</td>
</tr>
<tr>
<td>2012</td>
<td>9</td>
<td>1</td>
<td>7</td>
<td>6</td>
<td>24</td>
<td>47</td>
</tr>
</tbody>
</table>

During the same period of time, the following changes to the asset inventories of similar programs occurred:

- Between 2008 to 2012, the Transport Canada Port Divestiture Program inventory decreased from 78 assets in 2008 to 61 sites in 2012 (TC, 2012). This represents a reduction of approximately 8%.
- Between 2008 to 2012, the DFO Recreational Harbours inventory decreased from 177 assets in 2008 to 152 assets in 2012 (DFO, 2012). This represents a reduction of approximately 9%.
When compared to programs with similar structure and mandate, the EASS Wharf and Marine Assets Disposal Program appears to have demonstrated considerable progress in reducing its inventory of wharf and marine assets.

In comparing programs, the reader should note that this is a high-level comparison based solely on number of assets divested. The following factors which influence the ability of each department to divest assets are not represented in this comparison:

- Individual asset characteristics
  - Assets in the EASS, DFO and Transport Canada divestiture programs have unique characteristics regarding stakeholder issues, asset use, location, environmental concerns and availability of a desirable divestiture candidate. These characteristics influence the ability of a custodian department to divest assets, as some assets are inherently more difficult to divest than others. These individual characteristics are not factored into the high-level comparison.

- Available resources
  - The number of individuals working in the different programs, as well as the level of funding spent on divestiture efforts in the different programs, influence the ability of custodian departments to divest assets. Available resources in the three programs were not factored into the high-level comparison.

5. Have the following program design elements been administered efficiently (i.e., are there any gaps or areas of redundancy):

   (i) Communications protocol
   (ii) Reporting protocol
   (iii) Information management protocol

(i) Communications protocol

Finding: Established communications procedures in the EASS Wharf and Marine Assets Disposal Program are both effective and efficient according to national and regional program managers.
Current communications protocol in the EASS Wharf and Marine Assets Disposal Program can be summarized as follows:

- The national office manages communications with the media and senior-level government officials. Its functions include the drafting of briefing material and responses to media inquiries.
- The regional leads manage communications with all other stakeholders, including other government departments, other levels of government, local communities, site users and First Nations. Their functions include stakeholder outreach, consultation and negotiation.

There was general consensus among interviewees that the current communications protocol is both effective and efficient. The clearly defined roles and responsibilities of the national and regional leads ensure there is no duplication of efforts and that each party can become experts in their mandated communications fields.

There was also consensus among interviewees that the correct parties are assigned to the appropriate tasks. As regional leads are “on the ground” dealing with stakeholders on a regular basis, they are best suited to handle stakeholder relations; similarly, as the national office is accustomed to dealing with media inquiries and the overall program strategy, it is the appropriate party to oversee communications with media and senior-level government officials.

One concern related to communications protocol was raised by a regional program manager regarding the length of time it takes to get briefing notes and communication lines approved at a senior level. The regional program manager found that in some instances, action on the ground was being delayed because approval of a briefing note by senior officials had not yet been acquired. The regional lead suggested that briefing notes be put in place and approved in anticipation of an issue arising; in this manner, should the issue actually arise, the appropriate communication lines will have already been approved, facilitating a speedy response to any issue. This suggestion is reflected in the recommendation section of this report, Section 9.
(ii) Reporting Protocol

**Finding:** The current reporting protocol in the EASS Wharf and Marine Assets Disposal Program is streamlined and efficient. There is consensus among national and regional program managers that given the relative small size and budget of the program, when compared to other PWGSC programs, current macro-level reporting to senior departmental officials via quarterly and annual reports is sufficient and effective. There is some concern over the lack of explicit performance metrics involved in program reporting at the micro-level, between regional and national offices, which could aid in assessing and improving program performance.

The EASS Wharf and Marine Assets Disposal Program reports results to senior departmental officials via quarterly and annual reports. These reports provide an overview of program performance, indicating the number of wharves divested and the current regional risk ratings.

Given the relatively small size and budget of the program, compared to other PWGSC programs, consensus among program managers was that the requirements used to report to senior departmental officials are both adequate and efficient. The streamlined approach, whereby all results are reported through EASS, and not simultaneously through both EASS and regional organizations, allows for consistent and uniform reporting and avoids any duplication of efforts.

Up until September, 2012, reporting from regional offices to the national office occurred via quarterly meetings, whereby regional leads would report their progress on divestiture and/or demolition efforts to the national office. As of September, 2012, regional reporting meetings have become a monthly occurrence. Regional program managers also report on the risk status of their assets in bi-annual risk assessment meetings for the program.

The current reporting protocol between the regional and national offices was viewed positively by program managers from an efficiency standpoint; however, some program managers indicated that effectiveness could be improved by having more detailed reporting requirements between regional and national offices. Specifically, some program managers would like to see key
performance indicators be developed for program activities. This would allow EASS to better evaluate the successes and challenges of the program, and to make changes accordingly.

(iii) Information Management Protocol

Finding: Established procedures for information management in the EASS Wharf and Marine Assets Program require improvement.

Information management procedures vary among national and regional offices in the EASS Wharf and Marine Assets Disposal Program. At the national level, information is primarily housed in previous and current program managers’ email accounts. There is a shared folder established for the program on a department-wide electronic document filing system; however, this folder is used sporadically to store information and does not serve as a “one-stop shop” for all program-related information. National program managers indicated some frustration with the current information management procedures and stated that any improvements would be welcome.

Feedback on information management at the regional level was mixed, as procedures vary substantially among the five regions (regions are largely left to develop their own information management procedures for the program). All regions reported at least minimal use of an electronic filing system to manage their information. Those regions that used an electronic filing system extensively felt that the current system was efficient and effective; those regions that used both paper and electronic documents felt the current system could be improved.

6. Has the program achieved value for money for taxpayer dollars?

Finding: Based on indicative cost savings estimates, the program has achieved value for money for taxpayer dollars.6

Historical financial data on the capital and operating and maintenance (O&M) costs associated with the 48 divested assets were never tracked or documented. As such, this evaluation cannot

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6 This report measures Value For Money using an indicative cost savings estimate. It does not use a cost-benefit analysis approach because there were limited program data available to undertake such an in-depth analysis.
directly compare the cost of divestiture activities to the cost the Crown would have incurred should the assets have remained under Crown stewardship.

An indirect comparison can be made however using estimated capital and O&M expenditures of assets remaining in the EASS inventory. A recent study undertaken by KPMG estimated these costs over the next 25-year period to total an average of $355,220 per site (KPMG, 2012). These cost estimates are in real (2012) Canadian dollars and are based on site inspections performed by Klohn Crippen Berger, an engineering and environmental consulting firm hired by KPMG. The estimates use annual averages of expected O&M and capital expenditures over the next 25 years.

According to EASS financial records, the total average divestiture cost per site is approximately $283,796 (this figures includes costs related to personnel, studies, and demolition/repair efforts). Given these figures, the average total cost savings of the EASS Wharf and Marine Assets Disposal Program is summarized in Table 3.

<table>
<thead>
<tr>
<th>Table 3: Estimated Total Cost Savings of EASS Wharf and Marine Assets Disposal Program Over the Next 25 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average total cost to administer wharf or marine site over next 25 years</td>
</tr>
<tr>
<td>Average total cost to divest a wharf and marine site</td>
</tr>
<tr>
<td>Average total cost savings per site over next 25 years</td>
</tr>
<tr>
<td>Average total savings over next 25 years related to divested sites (48 sites x $71,424)</td>
</tr>
</tbody>
</table>

The above estimated cost savings calculation represents an “order of magnitude” estimate of savings. Figures used to estimate the “total average cost to administer a wharf or marine site over the next 25 years” are based on current assets in the inventory, as data for divested assets do

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7 This figure is in real 2012 Canadian dollars and does not reflect current long-term escalation rates for O&M costs, nor the current discount rate being used to estimate the cost of PWGSC projects. Factoring in the current long-term escalation rate (2%) and the 25-year discount rate presently being used by PWGSC (2.394%), the average total cost to administer a wharf/marine site over the next 25 years totals $340,120. This equates to average savings per site over the next 25 years of $56,324. Using a discount rate more in line with historical averages over the past 10 years (around 4.14%), the average total cost decreases to $283,650, equating to negligible cost savings; however, factoring in the potential cost savings related to reduction of liabilities, the program remains “cost-effective.”
not exist. As all assets are different, there is no guarantee that estimates for current assets accurately reflect costs associated with assets already divested. As such, the reader should consider the aforementioned cost savings calculation to be an indicative estimate only.

Results from interviews further support that the EASS Wharf and Marine Assets Disposal Program is an effective use of taxpayer dollars. Most respondents noted that a primary benefit of the program is that it removes the potential cost of liabilities at these assets, should an accident or injury occur. By repairing and demolishing and divesting these assets, PWGSC removes the potential cost of a pricey settlement or lawsuit proceedings. Other interviewees noted that there is very little overhead for this program and it is being administered “off the corner of peoples’ desks,” yet it is still achieving results.
7. DISCUSSION

Overall, the EASS Wharf and Marine Assets Disposal Program appears to have achieved its stated objectives, based on the evaluation developed in this report. The program remains relevant, showing alignment with key Government of Canada and PWGSC objectives and strategic priorities. The program also appears to be cost-effective, suggesting that cost savings have been realized as a result of divestiture activity.

Though the program has not fully divested its entire inventory of assets, it has shown considerable progress in divestiture activities, most notably when compared to similar programs at the Department of Fisheries and Oceans and Transport Canada. Notable as well in this regard is that the program has not yet reached its conclusion, with several projects slated for divestiture over the next several months.

Regarding removal of the liabilities associated with the assets, the program appears to have accomplished its goals, within the constraints of the current terms and conditions. Further reduction of liabilities will require an amendment to the original terms and conditions of the program to allow for the repair of sites in the absence of a divestiture agreement.

Program activities overall appear to be effective and efficient, with two of the three components (communications and reporting protocol) receiving a positive evaluation overall. Some suggestions regarding briefing material and performance indicators were put forth by program managers, and form part of the recommendations outlined in Section 8 of this report.

Information management proved the weakest component of overall program design, with program managers indicating some frustration with the manner in which information is housed and shared in the program. A comprehensive electronic filing system, as outlined in Section 8 of this report, would improve some of the issues with information management in this program.
8. RECOMMENDATIONS

The results of this evaluation indicate that certain elements of the communications, reporting and information management protocol for the EASS Wharf and Marine Assets Program warrant further attention and possible amendments. While overall program effectiveness appears to be positive, lessons learned from other programs could aid in improving program effectiveness. Outlined below are six recommendations for EASS Wharf and Marine Assets program managers to consider moving forward, based on the results of this evaluation.

**Recommendation 1: Seek program authority to use grants and contributions as a tool in divestiture negotiations**

Unlike similar programs, the EASS Wharf and Marine Assets Disposal Program currently does not have the authority to administer grants and contributions as part of its divestiture agreements. The Transport Canada Port Divestiture Program has used contribution agreements for the majority of sites that it has divested, indicating their value in facilitating divestiture. The DFO Small Craft Harbours program uses grants, in some instances, to divest its small craft harbours. A 2006 evaluation and audit of the DFO grants program found that grants were a popular choice among local communities, as they allowed those communities that did not have the required funding to upgrade and manage facilities relevant to local needs. The audit found that without the grant mechanism, the facilities would have otherwise remained with the DFO inventory (DFO, 2006).

There was consensus among EASS Wharf and Marine Assets program managers that having the option to administer grants and contributions could help divestiture negotiations move forward for certain assets. Program managers noted that assets remaining in the EASS Wharf and Marine Assets inventory are mostly “hard sells,” as there is no direct incentive for a third party, government or otherwise, to acquire them. Adding a monetary incentive could induce third parties to come to the table, including cash-strapped municipalities that are often best suited to manage these assets, yet do not have the funds to do so.
**Recommendation 2: Seek program authority to undertake repairs at a site in absence of a divestiture agreement**

This evaluation has found that there is an inherent conflict between program objectives and program authority regarding the ability to repair derelict structures. A stated objective of the program is to remove liabilities to the Crown associated with these assets, yet program managers are only able to undertake necessary repairs at a structure when a divestiture agreement is already in place. This effectively limits program managers from fully achieving an objective of the program (i.e., removal of liabilities) at those assets where a divestiture agreement has not been reached. A noteworthy point in this regard is that for some assets, the state of disrepair of the structure is a contributing factor in the inability of program managers to find a willing divestiture candidate.

Program managers expressed strong support in favour of amending the current terms and conditions of the program to have the option to repair structures even in the absence of a divestiture agreement. They pointed to the department’s responsibility of sound stewardship from a health and safety standpoint, as well as the potential for costly liabilities in the event of structure failure.

**Recommendation 3: Form an interdepartmental wharf and marine assets working group**

PWGSC should spearhead a campaign to form an interdepartmental working group for wharf and marine assets. This group would comprise other federal government departments with similar programs, namely DFO and Transport Canada, as well as other federal government departments that have vested interests in some of the assets (namely Aboriginal and Northern Affairs Canada and Parks Canada). The purpose of this group would be to share smart practices and lessons learned and to seek possible efficiencies in the administration and divestiture of wharf and marine assets.

Representatives from DFO and Transport Canada expressed a willingness to join and participate in an interdepartmental working group. EASS Wharf and Marine Assets program managers also expressed an interest in a potential working group. It was noted by all three departments that the remaining assets in their inventories are those that are the most difficult
to divest; an interdepartmental working group could allow the three departments to take a "whole of government" approach to the assets, instead of the current siloed approach to asset management.

**Recommendation 4: Develop issues management notes in anticipation of issues that may arise**

It was noted in interviews with regional program managers that there was some frustration with the length of time it took for briefing notes to be developed and approved to deal with an arising issue. To improve this situation, it is recommended that regional program managers work with EASS communications staff to develop issues management notes for those assets that demonstrate potential for arising issues. These issues management notes should be developed before any issues arise, so that communications lines can be readily in place in the event that they are needed.

**Recommendation 5: Explore public-private partnership (P3) options**

Divestitures to the private sector involving a P3 arrangement should be explored further in this program. The divestiture of the Western Shore Public Wharf in Nova Scotia described in the “Review of Other Divestiture Programs” section of this report demonstrates that low-dollar-value P3s are possible for wharf and marine assets. This is an option entirely unexplored in the EASS Wharf and Marine Assets Disposal Program.

For those assets where divestiture to another federal government department or other level of government has proved unsuccessful, a preliminary P3 screen should be administered. The PWGSC Public-Private Partnerships National Centre of Excellence is the prime candidate to aid in performing this initial P3 screen on behalf of EASS.

In undertaking any sort of private sector option, it is important that EASS plan for possible negative public reaction. As the Public Port of Pugwash example shows, there can be extensive of public concern over a public facility being transferred to private hands. Public consultations and a well-planned communications strategy are important tools that can help mitigate any negative reactions in this regard.
Recommendation 6: Build a wharves program database accessible to both national and regional program managers

The current information management protocol for the EASS Wharf and Marine Assets Disposal Program requires substantial improvement. It is recommended that EASS build a common, electronic database for all program-related information. This database would serve as a “one-stop shop” for all program data, and would be accessible to both regional and national program managers. Program managers at both the regional and national level expressed great support for a centralized database.

Platform options for building the centralized database included the internal PWGSC shared drive or the newly implemented Electronic Documents and Records Management (EDRM) system, which offers PWGSC-wide electronic document management capabilities. Further work is required to determine which platform best serves the purposes of the EASS Wharf and Marine Assets Disposal Program.
9. CONCLUSION

Overall the EASS Wharf and Marine Assets Disposal Program appears to have achieved its stated objectives, based on the evaluation developed in this report. The program remains relevant, showing alignment with key Government of Canada and PWGSC objectives and strategic priorities. The program also appears to be cost-effective, suggesting that cost savings have been realized as a result of divestiture activity so far. Though the program has not fully divested its entire inventory of assets, considerable divestiture progress has been made, most notably when compared to other similar divestiture programs.

The evaluation revealed some opportunity for improvement in certain design elements of the program - most notably in information management, where a centralized file sharing system would greatly improve program efficiency. This shortfall in information management appears minor overall, as program results indicate that the program has been quite effective, even in the absence of sound information management practices.

Looking forward, what was made clear in this evaluation is that program managers do not expect to completely eliminate the EASS Wharf and Marine Assets inventory by program end. There are some assets that have no likelihood of divestiture and will remain within PWGSC oversight in the foreseeable future. Adequate planning for this occurrence is imperative, as many of these assets will require continued repair and maintenance well beyond the termination of the EASS Wharf and Marine Assets Disposal Program.
REFERENCES


Department of Fisheries and Oceans (February 2006). Small craft harbours divestiture and grants program evaluation and audit. Retrieved from http: and www.dfo-mpo.gc.ca and ae-ve and evaluations and 05-06 and 6b013-eng.htm


APPENDICES

Appendix 1: Chronology of Divestiture Mandate at PWGSC

1985: The Nielsen Task Force on Program Review advised the Minister of Public Works Canada (PWC) to divest all properties and assets unrelated to core program functions, including bridges, dams and other wharf and marine assets.

1993: PWC establishes a divestiture strategy which acknowledges assets which require a long-term divestiture strategy and funding requirements sought.

1994: The newly created Public Works and Government Services Canada (PWGSC) seeks approval for its National Investment Strategy, which comprises Part I of its long-term capital plan. The strategy establishes key objectives, targets and guiding principles for the divestiture element of the Real Property sector. The department receives funding approval for its office accommodation program, but not divestiture funding for dams and bridges.

2000: PWGSC receives approval for its second National Investment Strategy, which seeks to divest bridge, dam and marine assets through innovative approaches.

2007: The program integrity funding established in 2000 expires. This funding was used to repair engineering assets and improve their health and safety standards to reduce government liability.

2008: Engineering Assets Strategy Sector is created under the Real Property Branch of PWGSC. Its mandate is to manage a portfolio of engineering assets (bridges, dams, wharves) which have been under divestiture order since the 1980s.

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8 Information in this chronology was taken from the PWGSC 2006-812 Final Report, available at http://www.tpsgc-pwgsc.gc.ca and bye-oac and rapports-reports and 2006-812 and index-eng.html
Appendix 2: Organizational Chart – EASS Wharf and Marine Assets Disposal Program

EASS Director General
Jacques Vachon

EASS National Wharf and Marine Assets Disposal Program Manager
Hinesh Chauhan

Pacific Region
Lead
Gouin Barford
Support
Denise Schepens
Jerry Chen

National Capital Area
Lead
Angela Russell
Support
Doug Murphy

Ontario Region
Lead
Tania Kostadinova
Support
Victor Austin

Quebec Region
Lead
Guy Harvey
Support
Sylvie Leclerc

Atlantic Region
Lead
Janice Snair
Support
Kelly Bush

EASS Wharf and Marine Assets Program Support
Calvin Yan

EASS Communications Manager
Ruslan Tracz
Appendix 3: Government of Canada Property Disposal Process

All federal government departments follow a standard process for the disposal of Crown assets. This process is outlined in the image below, taken from the Treasury Board of Canada Secretariat’s Guide to the Management of Real Property.

DISPOSAL PLANNING STAGE
Identify surplus or potentially surplus properties in long-term capital plan

Determine whether Routine or Strategic disposal

DUE DILIGENCE
- Legal analysis
- Aboriginal risk assessment
- Environmental Assessment
- Heritage Assessment
- Species at Risk assessment

IDENTIFY PUBLIC PURPOSE INTEREST
Routine
Offer simultaneously for sale MV for public purpose, federal, provincial, municipal in that order of priority
Strategic
Notify priority interests and request that they advise on nature and scope of their respective interests

VALUATION
Routine
- Appraisal or estimate of market value
Strategic
- Independent third party appraisal of market value
- CLC Business Pan
- Demonstrates potential value creation

Analysis and development of a recommendation

ROUTINE
- Priority purchaser
- Private sector
- Solicitation and Award (open and fair transaction)
- Finalize sale and transfer with Justice

STRATEGIC
- Seek approval for sale of the whole property to CLC or tailored strategy based on risk
- Finalize sale and transfer with Justice
- Implement strategy
Appendix 4: Original 2008 EASS Wharf and Marine Assets Inventory

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<tr>
<th>#</th>
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<th>Property</th>
<th>Existing Structure</th>
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<td>Dyke</td>
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<tr>
<td>4</td>
<td>Pacific</td>
<td>Annieville Slough Groynes</td>
<td>Dyke</td>
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<td>Pacific</td>
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<td>Wharf</td>
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<td>Atlantic</td>
<td>Ramea</td>
<td>Wharf</td>
</tr>
<tr>
<td>91</td>
<td>Atlantic</td>
<td>Shoal Tickle</td>
<td>Wharf</td>
</tr>
<tr>
<td>92</td>
<td>Atlantic</td>
<td>Belleoram</td>
<td>Breakwater</td>
</tr>
<tr>
<td>93</td>
<td>Atlantic</td>
<td>Cartwright</td>
<td>Wharf</td>
</tr>
<tr>
<td>94</td>
<td>Atlantic</td>
<td>Pass Island</td>
<td>Wharf</td>
</tr>
<tr>
<td>95</td>
<td>Atlantic</td>
<td>Tilt Cove</td>
<td>Wharf</td>
</tr>
</tbody>
</table>
Appendix 5: Evaluation Matrix

The following evaluation matrix was developed using the *Treasury Board Policy on Evaluation (April 1, 2009)*, the *Treasury Board Directive on the Evaluative Function (April 1, 2009)* and practices of the PWGSC Audit and Evaluation Branch. EASS program managers were also consulted in the development of the evaluation framework to ensure specific areas they wished to be evaluated were addressed.

<table>
<thead>
<tr>
<th>Evaluation Issue</th>
<th>Questions</th>
<th>Indicators</th>
<th>Data sources</th>
<th>Methodology</th>
</tr>
</thead>
</table>
| Relevance        | 1. Does the program continue to align with the objectives of the Crown regarding surplus federal real property assets? | - Existence of federal government policy and legislation that accords with program mandate  
- Interview results | - Document and interview results analysis to determine alignment with Crown objectives regarding surplus real property |
| Relevance        | 2. Does the program support and advance the mandate and strategic objectives of PWGSC? | - Existence of PWGSC strategic documents that accord with program mandate  
- Consensus from interviewees regarding whether program aligns with mandate and strategic objectives of PWGSC | - Document review *(PWGSC 2012-13 Report on Plans and Priorities)*  
- Interview results | - Document and interview analysis to determine alignment with PWGSC departmental priorities |
<p>| Effectiveness     | 3. Has the program demonstrated progress toward removing the liabilities | - Change in risk ratings of assets | - Document review <em>(EASS Health and Safety Risk Ratings, Q2 2012, Q2)</em> | - Document analysis to determine extent to which the |</p>
<table>
<thead>
<tr>
<th>Design</th>
<th>4. Has the program demonstrated progress toward divesting the Crown of responsibility for the properties in the inventory?</th>
<th>Number of assets that have been disposed</th>
<th>Document review (EASS Wharf and Marine Assets Inventory Figures, Transport Canada Divestiture Report, Department of Fisheries and Oceans Divestiture Report)</th>
<th>Document analysis to determine extent to which the program has decreased the costs associated with operation and maintenance of assets</th>
</tr>
</thead>
</table>
|        | 5. Have the following program design elements been administered efficiently (i.e., are there any gaps or areas of redundancy):  
   (iv) Communications protocol  
   (v) Reporting protocol  
   (vi) Information management protocol | Consensus from interviewees on whether program elements are administered efficiently | Interview results | Analysis of responses from interviews to determine general consensus on design elements of program |
| Cost-Effectiveness | 6. Has the program achieved value for money for taxpayer dollars? | Determination of cost savings  
   Consensus from interviewees whether the program has achieved VFM for taxpayer dollars | EASS financial data (program expenditures)  
   Document review (KPMG O&M cost estimates)  
   Interview results | Financial data and interview results analysis to determine if cost savings occurred as a result of the program |
Appendix 6: Interview Questions

Group 1 – National EASS Wharf and Marine Assets Disposal Program Managers

1. What is and was your role and function in the EASS Wharf and Marine Assets Disposal Program?
2. How does the EASS Wharf and Marine Assets Program align with current federal government priorities?
3. How does the EASS Wharf and Marine Assets Program align with current PWGSC priorities?
4. Do you think the program could benefit from having the authority to administer grants and contributions?
5. Can you think of any other factors outside of the EASS Wharf and Marine Assets Program that have aided in achieving program outcomes (i.e., other government programs, natural erosion of structures etc.)?
6. Are there any other activities that you believe should be added to the program that will aid in achieving its intended outcomes? (Current activities: divestiture and disposal negotiations; research on property tenure; and demolition and repair of structures)
7. What is the current communication protocol between national and regional offices? Is it effective? How could it be improved?
8. What are the reporting requirements that EASS must fulfill for this program? Do you believe these requirements are adequate? How could they be improved?
9. Are there any parts of the EASS Wharf and Marine Assets Disposal Program that you believe are unnecessary or redundant?
10. In the event of staff turnover, do you believe there is an effective knowledge transfer process in place for this program?
11. Do you see a continued need for the program going forward?
12. Do you believe the EASS Wharf and Marine Assets Disposal Program is an effective use of taxpayer dollars?
13. Do you have any other comments you wish to provide in this evaluation?
Group 2 – Regional EASS Wharf and Marine Assets Disposal Program Managers

1. What is your role and function in the EASS Wharf and Marine Assets Disposal Program?
2. How does the EASS Wharf and Marine Assets Program align with current federal government priorities?
3. How does the EASS Wharf and Marine Assets Disposal Program align with current PWGSC priorities?
4. Do you think the program could benefit from having the authority to administer grants and contributions?
5. Can you think of any other factors outside of the EASS Wharf and Marine Assets Disposal Program that have aided in achieving program outcomes?
6. Are there any other activities that you believe should be added to the program that will aid in achieving its intended outcomes?
7. What is the current communication protocol between national and regional offices? Is it effective? How could it be improved?
8. What are the reporting requirements that regional leads must fulfill for this program? Do you believe these requirements are adequate? How could they be improved?
9. In the event of staff turnover, do you believe there is an effective knowledge transfer process in place for this program?
10. Are there any parts of the EASS Wharf and Marine Assets Disposal Program that you believe are unnecessary or redundant?
11. Do you see a continued need for the program going forward? Do you believe the program should be extended beyond March, 2013?
12. Do you believe the EASS Wharf and Marine Assets Disposal Program is an effective use of taxpayer dollars?
13. Do you have any other comments you wish to provide in this evaluation?
Group 3 – Other Government Departments Program Managers (Department of Fisheries and Oceans Small Craft Harbours Divestiture Program and Transport Canada Port Divestiture Program)

1. Please provide me with a brief description of *(insert name of OGD program, e.g. Transport Canada Port Divestiture Program, DFO Small Craft Harbours Program)*.
2. What is your role and function in *(insert name of OGD program)*?
3. What are the primary activities of the *(insert name of OGD program)*?
4. What are the intended outcomes of *(insert program name)*?
5. Do you believe the program has achieved its intended outcomes?
6. Can you think of any other factors outside of *(insert program name)* that have aided in achieving program outcomes (e.g. other government programs)?
7. Has your program benefited from the use of grants and contributions?
8. Please describe the current communications protocol between national and regional offices. Do you believe it is effective? Why or why not?
9. In the event of staff turnover, do you believe there is an effective knowledge transfer process in place for *(insert program name)*? How could it be improved?
10. Are there environmental concerns at any of your properties? How have you dealt with these concerns in the past?
11. What are the reporting requirements that national and regional leads must fulfill for this program? Do you believe these requirements are adequate? How could they be improved?
12. Do you believe *(insert program name)* is an effective use of taxpayer dollars?
13. Do you have any other comments you wish to provide?