



*Vision Forward*

Annual Report 1999-2000



National Capital  
Commission

Commission  
de la capitale nationale

Canada

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# NATIONAL CAPITAL COMMISSION



## CANADA'S CAPITAL REGION

*A Place to Work, Live and  
Celebrate Canada*

*In 1999–2000, the National Capital Commission (NCC) released the third in a series of master plans that has marked the history of urban planning in Canada's Capital since 1950. The Plan for Canada's Capital, which will guide development of federal lands over the next 50 years, focuses heavily on enhancement and enrichment of the core area of the Capital. These are the highlights:*



**LeBreton Flats**

Protracted negotiations between the NCC and the other two landowners – the Region of Ottawa-Carleton and the City of Ottawa – have finally been concluded. The resulting consolidation of land under NCC ownership has given rise to a plan that will bring life back to one of the Capital’s most historic neighbourhoods. The core area concept shows residences and shops, national institutions and expansive parks framed by the Ottawa River on one side and by a historic aqueduct, recently restored, on the other.



**Chaudières and Victoria Islands**

On land that has long been sacred to Canada’s native peoples, an Aboriginal centre is envisaged. The centre would give the First Nations a place in the Capital where they could express Aboriginal culture and customs. The improvement of access to the river and the introduction of cafes, restaurants and footbridges would transform this sector into the Capital’s answer to Vancouver’s Granville Island.





### Sparks Street Area

One of Ottawa’s most important commercial streets needs revitalization. The mall lies one block south of Parliament Hill, and it is the natural habitat of millions of visitors. Changes are needed that will encourage more people to live downtown and bring a lively mix of stores and restaurants back to the core. Residential, commercial and retail spaces, as well as “people” places that open up the view to the Parliament Buildings, are among the concepts being explored.



### Connecting with Gatineau Park

Canada’s Capital is one of few capitals in the world that is situated in close proximity to nature. The gateway to Gatineau Park lies only minutes from the urban core. However, the route from the centre to the park boundary is circuitous. The core area concept describes a broad and gracious boulevard, a new part of the National Capital Region parkway system, that would lead straight from the core on to the Gatineau Parkway. The effect would be to make Gatineau Park more accessible.

### Bank Street Axis

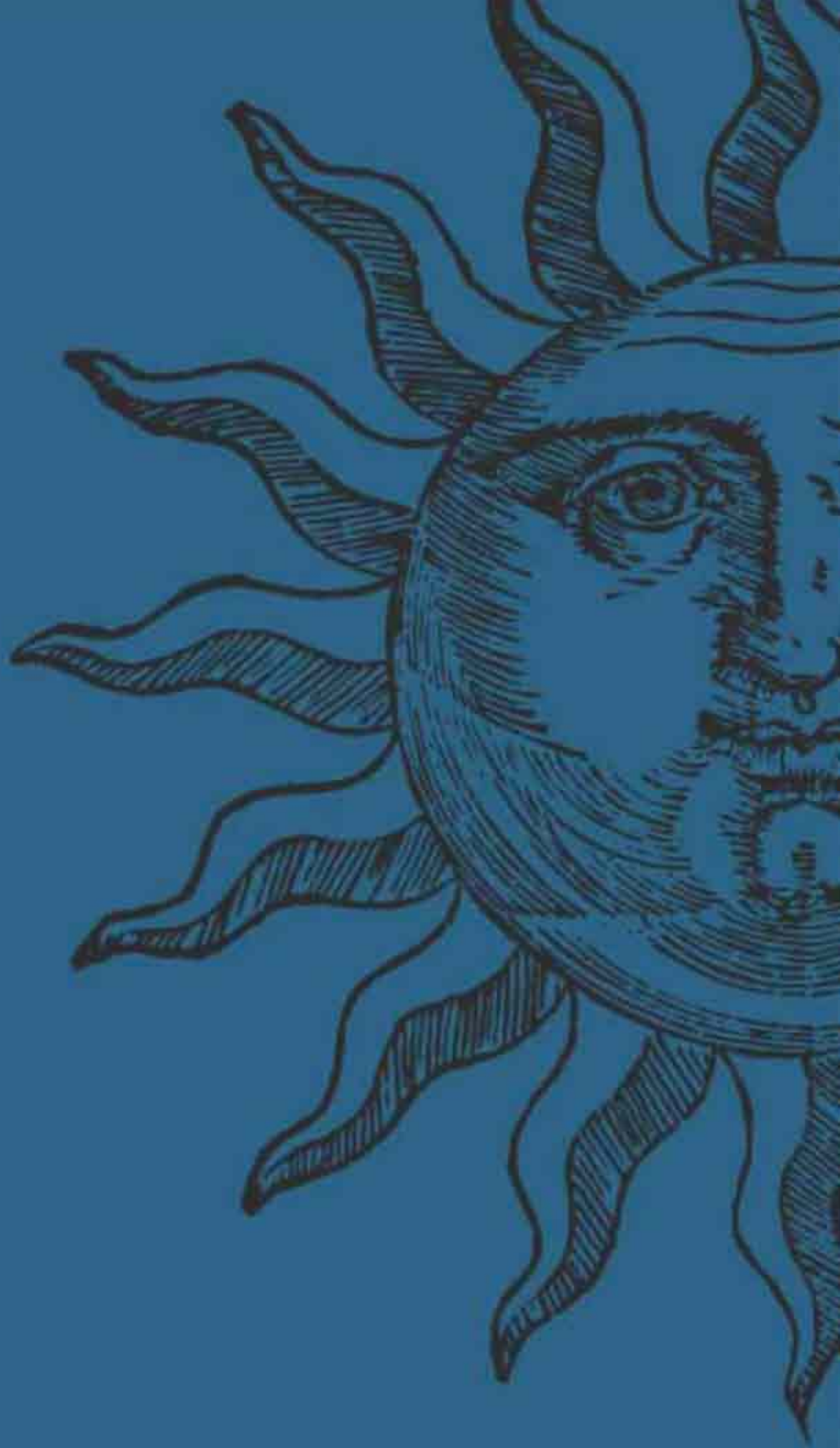
The core area concept foresees a strengthening of the relationship of “town” and “crown” in the urban core through creation of a direct link from the head of Bank Street, through the Parliamentary Precinct, to the Ottawa River. This will improve pedestrian access to the Ottawa River.

### Industrial Land, Hull

In the last few decades of the 20th century, office towers and the undulating shapes of the Canadian Museum of Civilization have gradually transformed the waterfront of Hull, across the Ottawa River from Parliament Hill. The *Plan for Canada’s Capital* proposes that, over time, that evolution should continue through the creation of more riverside green spaces and better access to the river for citizens of and visitors to the Outaouais.



# ANNUAL REPORT 1999-2000







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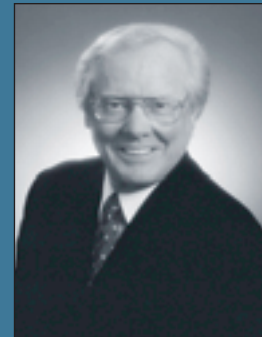
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**CHAIRPERSON’S  
MESSAGE**

*Turning to the Future*

Last year, the National Capital Commission (NCC) celebrated 100 years of planning and development in Canada's Capital Region. Not surprisingly, it was a year in which we tended to take stock, to look back over our shoulders to see where this organization has been and what it has accomplished. It was a heartening view. The Canadian capital, in which Quebec and Ontario are joined as a powerful symbol of unity, has developed a strong and positive identity in the past century. With its many parks and monuments, its banner-lined boulevards and parkways that run for miles along unspoiled shorelines, the Capital is an extraordinary stage for national celebrations and commemorations through which Canadians can experience their country and each other.

This year – the first year of the *Plan for Canada's Capital* – we are turning our attention strongly to the future. The NCC is proud of its role as steward of the National Capital Region (NCR), and in every page of the new plan it has reconfirmed its mission to create a great Capital. As an organization that has weathered the difficult days of budget restrictions and restructuring, the NCC of today is stronger and more confident than ever before. Convinced that the NCC has a continuing role to play in the NCR, the Commission has evolved a strong plan and a series of practical strategies to help it realize that plan.

The key to the future lies in relationships. The NCC in the year 2000 is a very different organization than it was 10 years ago. The secret to adapting has been the building of new and stronger relationships – relationships with partners, with the public and with its own employees. In the 1990s, partnership became the normal way of doing business, and the NCC has played a vital leadership role in bringing the Capital perspective to the work of other organizations in the NCR. Today, the Commission is working with municipalities more closely than ever and is reviewing its governance structures to enhance those relationships in the light of impending municipal reform. Through

the Canada's Capital Cities Organization, it is working with other capitals to create links across the country. It has formed alliances with universities. It has reinforced its natural links with other members of the federal family. It has connected more strongly with the public through consultation and outreach programs. To reach inward, to its employees, it has undertaken vital workforce renewal and has addressed the issue of values. With all of these relationships in place and developing, the NCC is ready to go forward.

On a personal note, my term as Chairperson of the National Capital Commission was renewed for a second seven-year term in August 1999. The last seven years have been very satisfying. I have overseen the restructuring of the Commission to streamline it for continued success in a changing environment. After 30 years of negotiation, I have participated in the final resolution of the tri-partite agreement to redevelop LeBreton Flats. I have had the privilege of seeing a large part of Confederation Boulevard realized as the Capital's new ceremonial boulevard. And, most importantly, I have seen the emergence of a new plan that will guide the next 50 years of development in the Capital Region. With these and other initiatives evolving, I look forward to the next seven years as an opportunity to continue the work of the 1990s and to usher in the next phase in the life of the Capital.

Adaptation has not always been easy. What is important is that the NCC, in the year 2000, is a forward-thinking organization that is living successfully with change. Much has changed. What remains is the NCC's commitment to building a great Capital on behalf of Canadians. We have been here a hundred years. We will be here for at least another hundred.



Marcel Beaudry  
Chairperson

# THE YEAR IN REVIEW

1999–2000

## PROGRAMMING: YEAR OF PREPARATION

A gathering of 50,000 people welcomed the millennium on Parliament Hill. While planning for the New Year's Eve celebration was underway, the groundwork was laid for two other millennial programs – **Future Trek**, which will bring 400 young Canadians to the Capital in the summer of 2000, and **Escapade 2000**, a participatory event involving thousands of cyclists on the spectacular pathways and parkways of the Capital. In 1999, nine capitals and 117 families participated in the first truly national edition of an exchange called **Celebrate Canada in the Capitals**. Preparations are ongoing for a millennial edition that will engage all 13 provincial and territorial capitals, as well as the National Capital. A new **Sound and Light** show was created for Parliament Hill. A sparkling series of new exhibits was readied for the **Canada and the World Pavilion** on Sussex Drive as it moved towards its grand opening in 2001. And, as the inauguration date of **Confederation Boulevard** – the Capital's new ceremonial route – approached, a colourful new guide and a series of interpretation panels went into production.

## PLANNING: YEAR OF HONOUR

In 1999, as the NCC celebrated 100 years of urban planning in Canada's Capital Region, it was honoured with a prestigious **Award of Excellence** from the American Society of Landscape Architects. The award marked a century of enduring commitment to excellence, symbolism and grandeur in Canada's Capital. The centennial year also marked the emergence of the final **Plan for Canada's Capital**, a master plan that – as successor to the Gréber Plan of 1950 and the *Federal Land Use Plan* of 1988 – will guide development in the Capital for the next 50 years and bring new vitality to the Capital core.

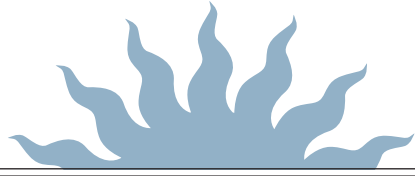
## BUILDING: YEAR OF CONFEDERATION BOULEVARD

The part of the Capital's new ceremonial route that loops around central Ottawa and Hull neared completion, bringing the work of more than a decade to completion. Nowhere is the transforming impact of Confederation Boulevard more powerful than at Confederation Square, which was unveiled after two years of work as a source of new pride for Canadians. A grand flight of stairs now opens downwards to link the Square to the banks of the Rideau Canal. Elgin Street was re-created as a ceremonial approach to Parliament Hill and preparations for the interment of the Unknown Soldier were finalized to enhance the significance of Confederation Square as a sacred memorial to Canada's war dead. At the same time, work continued on many other projects under the Multi-Year Capital Construction Plan – the rebuilding of **Champlain Bridge**, the opening of the brand new **Gatineau Park Visitor Centre** and preparations for construction of the **Canada and the World Pavilion** at Rideau Falls Park, to name just a few. Great strides were made also in the enlargement and enhancement of Canada's "green" Capital, notably with the extension of the recreational pathway system. The Greenbelt was also enlarged to encompass more of the precious and vulnerable Mer Bleue wetland.

## MANAGING: YEAR OF RENEWAL

Internally, the NCC laid the groundwork for a new philosophy of human resources management, based on commonly agreed corporate values and addressing the need for succession management and training. Externally, the Commission embarked on a program to make the Commission's achievements better known to the public through the enhancement of web technologies and public contact systems.





# FINANCIAL PERFORMANCE

## *Highlights*



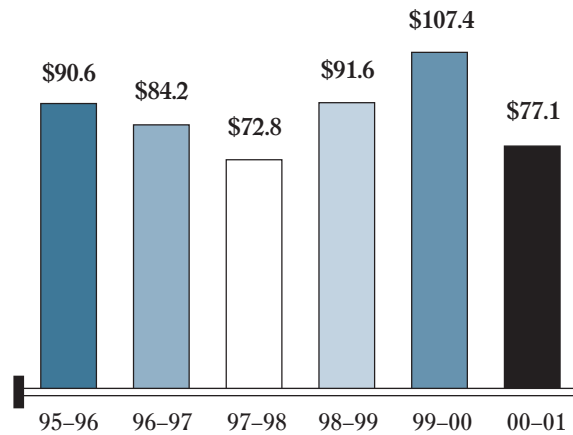
## PARLIAMENTARY APPROPRIATIONS

*Table 1*

PARLIAMENTARY APPROPRIATIONS	(in thousands of dollars)		
	1999–2000	1998–1999	Variance
Operating	\$ 39,173	\$ 37,400	\$ 1,773
Supplementary operating	869	6,634	(5,765)
<b>Sub-total</b>	<b>40,042</b>	<b>44,034</b>	<b>(3,992)</b>
Capital	8,749	18,009	(9,260)
Supplementary capital	45,350	15,000	30,350
<b>Sub-total</b>	<b>54,099</b>	<b>33,009</b>	<b>21,090</b>
Grants and contributions	13,260	13,260	–
Supplementary grants and contributions	–	1,320	(1,320)
<b>Sub-total</b>	<b>13,260</b>	<b>14,580</b>	<b>(1,320)</b>
<b>Total appropriations</b>	<b>\$107,401</b>	<b>\$ 91,623</b>	<b>\$15,778</b>

Parliamentary appropriations for 1999–2000 were \$107.4 million, representing an increase of \$15.8 million from last year's total of \$91.6 million (Table 1).

In 1999–2000, total operating appropriations decreased by \$4 million to \$40 million, compared to \$44 million in the previous year. The decrease is mainly attributable to a one-time appropriation of \$4.3 million received last year to compensate for Program Review downsizing monies already expended, combined with a permanent reduction of \$2.5 million in operating appropriations starting in 1999–2000 as a result of Program Review II. These decreases are partly offset by permanent increases related to the Price and Workload initiative (\$1.6 million) and the implementation of a new capitalization policy in line with generally accepted accounting principles (\$1.3 million). Supplementary appropriations of \$0.9 million were received in 1999–2000: \$0.5 million for additional operating requirements at the official residences and \$0.4 million for the new collective agreement.



*Chart 1*  
NCC Parliamentary Appropriations  
1995–1996 to 2000–2001  
(in millions of dollars)

## OPERATING INCOME

Capital appropriations increased by \$21.1 million to \$54.1 million in 1999–2000. Supplementary appropriations totalling \$45.4 million are related to the revitalization of Sparks Street (\$40 million) and the rehabilitation of official residences (\$5.4 million). The repayment of a \$15 million additional capital cost appropriation received in 1998–1999 was partly offset by a \$5.0 million reprofiling of capital funding from future years.

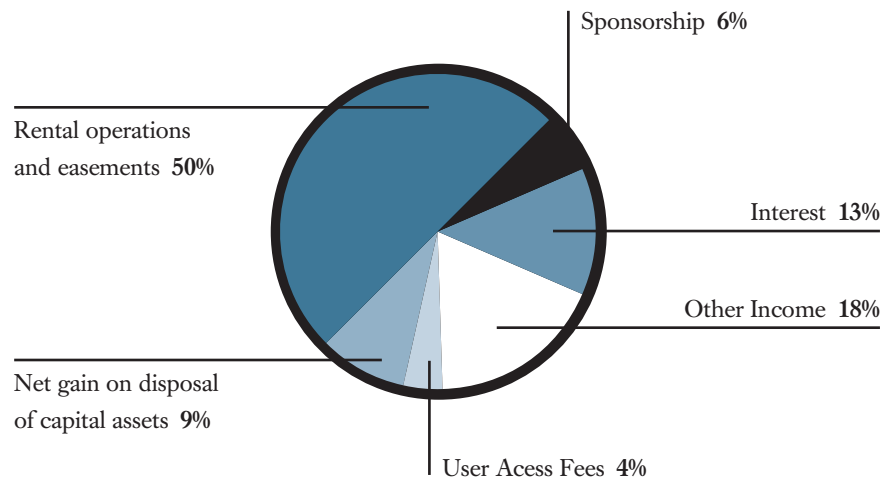
Appropriations for grants and contributions remained stable at \$13.3 million, apart from supplementary estimates of \$1.3 million received in 1998–1999 to cover the cost impact of the Ontario Tax Reform (the Reform) on NCC-owned properties. This additional funding was sufficient to cover the cost impact of the Reform in 1999–2000 as well, thanks to last-minute changes to the legislation imposing a cap on commercial properties.

Total appropriations will be \$77.1 million in 2000–2001, as a result of a \$5 million capital loan to be repaid in future years and additional appropriations of \$0.6 million to cover the estimated increase in employer contributions resulting from changes to Pension Plan legislation (Chart 1).

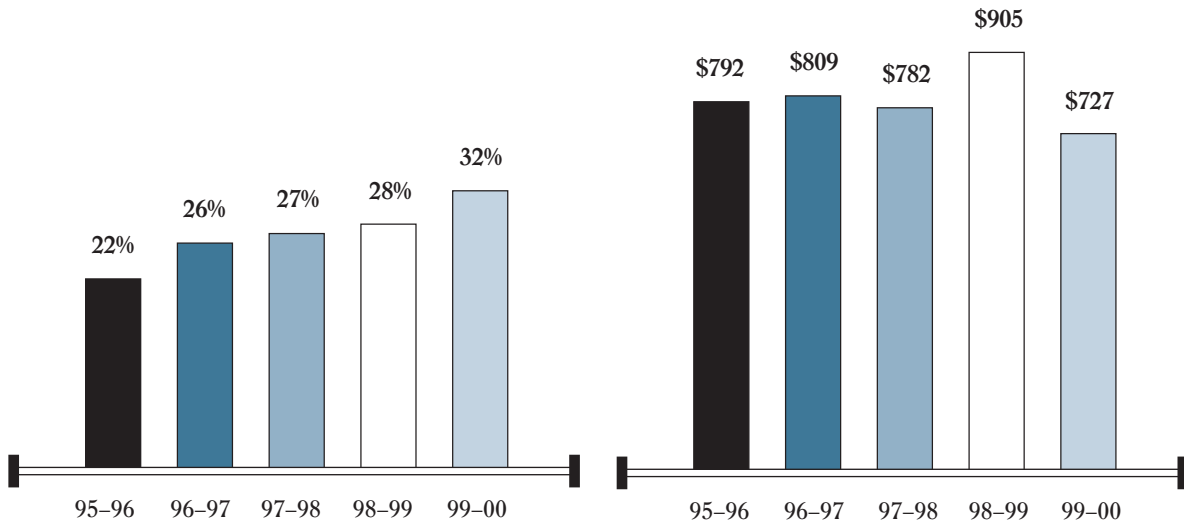
As shown in the NCC’s Statement of Operations, operating income was \$27.4 million in 1999–2000, compared to \$24.7 million in 1998–1999, which represents an increase of \$2.7 million. This is mainly the result of an increase in interest (\$2.2 million), rental operations (\$1.1 million), and other fees and recoveries (\$0.5 million), partly offset by a decrease in the net gain on disposal of capital assets (\$1.4 million).

Rental operations increased mainly as a result of a higher occupancy rate for NCC-owned properties compared to last year. The increase in interest is directly related to the higher amount of investments stemming from additional capital cost appropriations received at the beginning of the fiscal year. The increase in other fees and recoveries is largely attributable to millennial activities. Operating income generated from other sources in 1999–2000 achieved levels comparable to those of last year.

As demonstrated in Chart 2, rental operations and easements continue to represent the most significant source of operating income (50 percent this year).



*Chart 2*  
*Source of Operating Income 1999–2000*



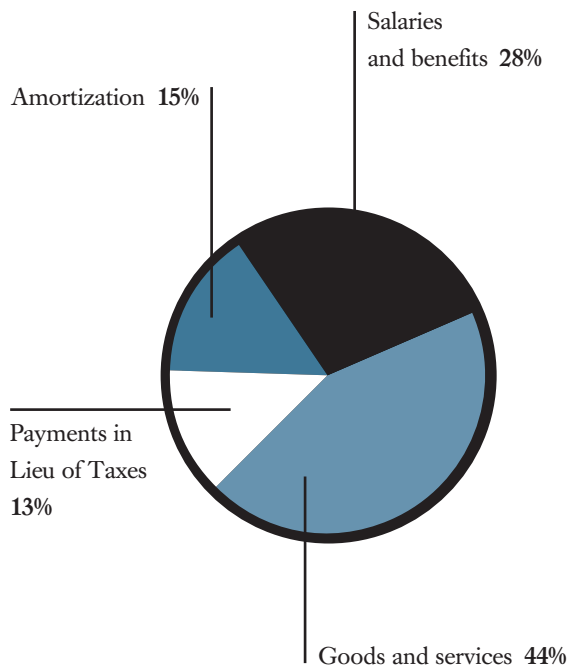
*Chart 3*  
*NCC Operating Income*  
*Relative to Total Funding*  
*(excludes capital appropriations and*  
*net gain on disposal of capital assets)*

*Chart 4*  
*Sponsorship in Cash*  
*(in thousands of dollars)*

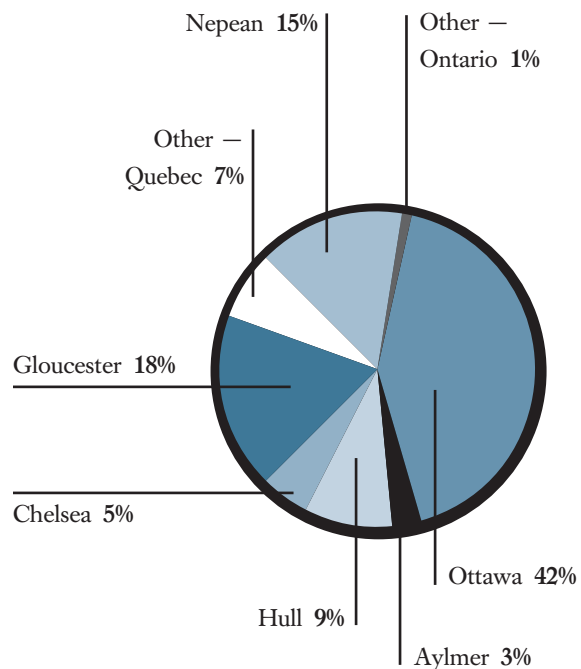
As parliamentary appropriations have tended to stabilize (apart from one-time adjustments), operating income continues to play an important role in helping to offset NCC programs costs. In 1995–1996, operating income (excluding capital appropriations and net gain on disposal of capital assets) accounted for approximately 22 percent of the Commission’s total operating funding; by 1999–2000, this percentage had increased to 32 percent. Chart 3 illustrates the NCC’s sustained efforts over the years to increase income.

The NCC also continues its efforts to maintain sponsorship income and promote increased partnership contributions and volunteer support. In 1999–2000, as demonstrated in Chart 4, sponsorship in cash for all NCC programs reached \$727,000, a decrease from the record-setting year of 1998–1999, due to lower partnership contributions for two major events.





*Chart 5  
Summary of Expenses by  
Major Classification, 1999-2000*



*Chart 6  
Distribution of Payments  
in Lieu of Taxes, 1999-2000*

## COST OF OPERATIONS

As shown in the NCC's Statement of Operations, the total cost of operations for 1999-2000 amounted to \$91.8 million compared to \$90.6 million a year earlier. Expenses remain relatively stable, as the NCC has completed the implementation of the federal government Program Review reductions.

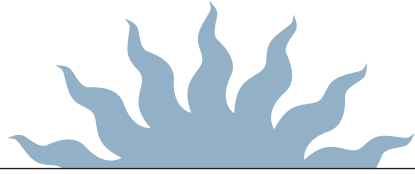
The NCC's 1999-2000 expenses by category are shown in Chart 5.

Goods and services represent the largest category of expenses (\$40.3 million), followed by salaries and employee benefits (\$25.4 million), amortization (\$14.0 million) and payments in lieu of taxes (\$12.1 million). In the past, salaries and employee benefits represented the largest category of expenses; however, this has changed as a result of the Commission's downsizing and commercialization strategies.

The NCC pays annual payments in lieu of taxes to municipalities (and school boards in Quebec). Chart 6 shows the distribution of payments by municipality for 1999-2000.

In 1999-2000, the NCC spent \$32 million on purchases and improvements to capital assets. Major projects included the near completion of Confederation Boulevard (\$11.9 million), revitalization of Sparks Street (\$10.2 million), the Champlain Bridge (\$5.8 million) and the official residences (\$2.9 million).





# CORPORATE PERFORMANCE

## *Overview*



## SECTOR I: PROMOTING AND ANIMATING THE CAPITAL

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To implement a plan for high-impact four-season programming that takes advantage of the NCC's Capital Infocentre and the start of a new millennium.

#### 1999–2000 and 2000–2001

The NCC will deliver special millennial celebrations, including:

- a New Year's Eve event on Parliament Hill that will attract 60,000 participants;
- the Future Trek program, which will reach out to 500,000 youth and will attract 20,000 participants to a festival event;
- the Celebrate Canada in the Capitals program, which will attract 2,392 participants (in total);
- an event that will focus on the green Capital and that will attract over 20,000 participants to pathways and recreational networks; and
- a special edition of Christmas Lights Across Canada, featuring the "Share the Light" parade.

#### 2000–2001

The NCC will double the number of visitors to the Capital Infocentre, which opened in August 1996, from 175,000 in 1994–95 (at its previous location) to 350,000 in 2000–01.

A New Year's Eve celebration on Parliament Hill was delivered to an audience of 50,000.

Future Trek will bring 400 young Canadians to the Capital for a five-day exchange over Canada Day in the year 2000. A communications/marketing campaign exceeded 500,000 contacts.

In the lead-up to the millennial year (2000–01), this project was on target, with a record number of winners (117 families and 936 participants) for 1999–2000. Planning for 2000 will involve more than 1,400 participants from all 13 provinces and territories, as well as the NCR.

Escapade 2000 is being planned, with the support of 15 partners, as a non-competitive event focusing on 60 kilometres of pathways and parkways.

Concept development is complete and an illumination design has been developed.

The Capital Infocentre increased its level of visitation by 53 percent over last year to 325,000. The long-term target of 400,000 for 2003–04 will be revised in light of this year's results.



## SECTOR I: PROMOTING AND ANIMATING THE CAPITAL

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To solicit continued and increased buy-in of partners and large, high-profile sponsors to integrated Capital programming and marketing.

#### 1999–2000

The NCC will increase efforts to seek major sponsors (particularly those in the high technology industry) and increase sponsorship revenues (including the provision of essential services) by one third over 1995 levels. Sponsorship revenues will be maintained at the 1999–2000 level throughout the planning period (1999–2004).

This target was met with sponsorship income for the year totalling \$727,000, which is an increase of over one-third in relation to 1994–95 levels of \$530,000.

#### 1999–2000

The NCC will increase the number of partners in outreach and marketing initiatives by 50 percent over 1995 levels.

This target continues to be met.

#### 2000–2001

The NCC will initiate electronic international partnership opportunities using Canada and the World and its biennial Winterlude Gateway programs. These partners will be maintained throughout the planning period (1999–2004).

Work is in progress.

To reach potential audiences through targeted marketing, outreach and promotional activities.

#### 1999–2000

The NCC will develop national broadcasts for millennial activities.

Efforts to secure a host broadcaster for the New Year's Eve event were unsuccessful. The NCC secured a partner – the Weather Network/MétéoMedia – for Escapade 2000.

#### 1999–2000

The NCC will enhance the capcan website and use local and national media to disseminate information on the NCC and its programs with emphasis on the millennium. Annual enhancement of the website, including educational information, will continue throughout the planning period (1999–2004).

A web service provider has been secured, and the process of restructuring and redesigning the capcan site has begun. Website use increased 80 percent over 1998–99 levels (355,000 user sessions lasting more than eight minutes each, on average).

#### 2000–2001

The NCC will increase participation in the Celebrate Canada in the Capitals program to include Canada's 10 provincial and three territorial capitals (with the support of the Millennium Bureau and other partners). This participation level will be maintained throughout the planning period (1999–2004).

Nine capitals hosted participants in 1999, and all 13 provincial and territorial capitals have confirmed their commitment to the 2000–01 program. Participation beyond 2000–01 will depend on identification of partners and sponsors to support the program.

#### 2002–2003

The NCC will establish a network of national and international contacts and audiences building on such programs as the millennium, Winterlude Gateway, the Canada and the World Pavilion and the Games of la Francophonie. This network will be maintained throughout the planning period (1999–2004).

International outreach networks are being developed with Australia for the Olympics.

## SECTOR II: PLANNING THE NATIONAL CAPITAL REGION

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To maintain the planning cycle through completion of various plans.

By working through the regional and local planning processes, to protect NCC land interests and proactively seek to provide input into municipal plans.

To participate in studies led by the Region of Ottawa-Carleton (formerly the RMOC) and the Communauté urbaine de l'Outaouais, to deal with interprovincial transportation issues in the NCR.

#### 1999–2000

The NCC will finalize and distribute the *Plan for Canada's Capital* and subsequent to this will complete the review of NILM (National Interest Land Mass).

#### 2000–2001

The NCC will complete that part of the Urban Lands Master Plan that relates to the core area (the Core Area Sector Plan).

#### 2000–2001

The NCC will complete the LeBreton Flats Master Land Agreement.

#### 2000–2001

The NCC will complete the *Gatineau Park Master Plan* update.

#### 2002–2003

The NCC will complete the Urban Lands Master Plan.

#### 2003–2004

The NCC will have initiated the implementation of the Core Area Sector Plan and of the new *Gatineau Park Master Plan*. Meeting this target depends on prior completion of the Urban Lands Master Plan (originally scheduled for 2002–03 and now deferred to 2005–06) and of the *Gatineau Park Master Plan* update (deferred from 2000–01 to 2002–03).

#### 1999–2000

The NCC will work to realize a joint agreement to proceed with an interprovincial transportation study.

#### 2000–2001

The NCC will work with partners to realize a joint environmental assessment study to determine the location and effects of future interprovincial bridges and the completion of the ring road system to service the region.

#### 2001–2005

The NCC will work with its partners to examine the feasibility of establishing an interprovincial transportation authority for the NCR (2001–02), will conduct a joint planning study for an interprovincial rapid transit facility (2002–03), will examine private/public financing opportunities for new interprovincial bridges in the NCR and work towards their realization (2003–05).

The *Plan for Canada's Capital* and its environmental assessment were finalized and approved, though distribution was delayed to early 2000–01. The NILM review continues.

This target will be met.

This target was met ahead of schedule.

Completion of the *Gatineau Park Master Plan* update has been deferred to 2002–03 due to other priorities. Research necessary to support the master plan is underway for 2000–01 completion.

This target has been deferred to 2005–06 due to the project scope.

This is a long-term target.

Joint public consultations on the Interprovincial Transportation Concept Plan were conducted in Ottawa-Carleton and the report completed. Consultations were postponed in the Outaouais. The Interprovincial Goods Movement Survey was completed, with preliminary review of the data to take place in 2000–01.

Dialogue is continuing in an effort to reach political consensus. An outline of the terms of reference for the joint study was deferred to 2000–01.

This is a long-term target.

## SECTOR II: PLANNING THE NATIONAL CAPITAL REGION

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To implement federal plans, legislation and policies and to safeguard and enhance the NCR's built and natural environment through the Federal Land Use, Design and Transactions approval process.

#### 1999–2000

The NCC will complete the mapping of archaeological potential of all federal lands.

#### 1999–2004

The NCC anticipates that it will review for approval approximately 300 land use, design and land transaction submissions per year, including consideration of all federal heritage, archaeological and environmental laws and policies.

#### 2001–2002

The NCC will complete preliminary (Phase I) Environmental Site Assessments (ESAs) for over 200 high-priority sites and detailed (Phase II) ESAs for all sites with high contamination risk.

#### 2003–2004

The NCC will complete a policy for and identification of key cultural landscapes in the NCR.

#### 2003–2004

The NCC will undertake environmental impact assessments for all NCC projects, developments and transactions under the *Canadian Environmental Assessment Act* (CEAA).

The mapping is now completely entered into the Geographic Information System (GIS). The report was finalized for distribution early in 2000–01.

A total of 144 federal land use and transaction items were reviewed in 1999–2000 and 103 approvals granted or files closed; 110 federal design approval items were reviewed, including 26 major projects, and 66 approvals were granted.

The following work has been completed: 30 Phase I environmental site assessments (ESAs) and 17 Phase II ESAs under the Contaminated Sites Management Program; 17 Phase I ESAs, 11 Phase II ESAs and one site clean-up under the Acquisition and Disposal Program.

Work is progressing on target. The policy has been drafted and is expected to be complete by 2000–01. Identification of key cultural landscapes will be completed by 2003–04.

The following environmental assessments (EAs) have been initiated and/or reviewed as part of the Federal Land Use Approvals Process: 50 EAs (10 under CEAA), including the light rail pilot project and the Cumberland Transitway; and 49 EAs for internal NCC projects and for projects on NCC lands, including Leamy Lake Golf Course and Champlain Bridge.

## SECTOR III: REAL ASSET MANAGEMENT AND DEVELOPMENT

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To protect natural lands and built assets through cost-effective maintenance, management, development and rehabilitation programs and through the implementation of appropriate quality standards and service.

#### 1999–2000

The NCC will prepare a revised and updated real asset management strategy.

This target was met. A draft document was developed as the basis for budget planning.

#### 1999–2000

The NCC will initiate construction of the Canada and the World Pavilion at Rideau Falls Park.

The project has been delayed by site relocation and redesign requirements and has been re-scheduled to 2000–01.

#### 1999–2000

The NCC will put new land maintenance contracts in place for Capital Urban Lands and the Greenbelt.

This target was met. Six new maintenance contracts began on April 1, 1999 for savings of \$500,000 to the NCC. Generally, quality standards and service levels are being met and in several instances exceeded.

#### 1999–2000

The NCC will have in place a long-term plan with appropriate funding from Central Reserves to accommodate the operating and capital requirements of the official residences.

This target has been largely met. Treasury Board has approved a major part of the capital funding for the official residences, and requested operational funding is pending. A number of projects were completed in 1999–2000.

#### 1999–2000

Leasing-related activities will provide \$9.2 million worth of revenues.

Thanks to record low-vacancy levels and the revised reconciliation with development revenues, this target has been exceeded with year-end leasing revenues of \$9.8 million.

#### 1999–2000

The NCC will propose transfer of surplus properties to the City of Hull as part of an exchange.

This target has been deferred to early 2000–01, pending ongoing negotiations with the City of Hull.

#### 1999–2004

The NCC will achieve land disposal revenues of \$6 million per year and development revenues of \$8.9 million (\$1.36 million projected for 1999–2000).

Various factors impeded achievement of the goal. Disposal revenues totalled \$3.3 million, representing 55 percent of target.

Development revenues, at \$977,500, were below target due to delays facing some large projects.

#### 2000–2001

The NCC will essentially complete the rehabilitation of the Champlain Bridge.

This target was deferred to 2001–02, due to default of the original construction contractor and re-tendering and re-award of the contract. Work is now progressing according to the revised work plan, with an anticipated completion date of December 2001, six months ahead of the re-tendered contract schedule.

## SECTOR III: REAL ASSET MANAGEMENT AND DEVELOPMENT

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To manage the Payments in Lieu of Taxes (PILT) payable by the NCC.

To manage an appropriate range of park services and outdoor recreational facilities to enable visitors to benefit from a green Capital experience and to support the promotion and animation of the NCR.

#### 1999–2004

The NCC will continue to build its portion of Confederation Boulevard, including the Plaza Bridge and Confederation Square reconstruction, Elgin Street (Queen Street to Laurier Avenue), Sussex Drive North and Laurier Street in Hull, as well as the York Steps adjacent to the American Embassy.

#### 1999–2004

The NCC will deliver the Multi-Year Capital Construction Program (MYCCP).

#### 1999–2000

The NCC will pay out an estimated \$14.5 million in payments in lieu of taxes (PILT).

#### 1999–2000

The NCC will complete three major projects to enhance recreational facilities and support millennial celebrations:

- a) the Integrated Recreational Pathway System with links to the Trans Canada Trail system;
- b) the Gatineau Park Visitor Centre; and
- c) a millennial pathway map.

#### 2000–2001

The NCC will offer a millennial pathway event as part of the millennial celebrations.

#### 2000–2001

The NCC will complete the Green Capital User/Visitor Survey to provide information on visitor participation in and expectations of outdoor recreation. Action will be taken on the results of this survey between 2001 and 2004.

The York Steps and three joint construction projects were completed: Elgin Street (Queen to Laurier); rue Laurier, Phase III, Hull (Portage-Verchères); and rue Laurier, Phase IV, Hull (Verchères-Hôtel de Ville).

The MYCCP continues to be delivered successfully despite funding challenges.

Final payments totalled \$12.1 million due to late invoicing from some of the municipalities, as a result of Ontario tax reform.

a) This target has been deferred to 2000–01. The trail is under construction.

b) This target has been met, with an official opening in December 1999. Efforts are underway to integrate the Centre into other millennial activities (e.g., the Trans Canada Trail Relay 2000).

c) This target has been met. Development of the new 2000 Capital Pathway map has been completed, and it will be printed in June 2000.

Escapade 2000, planned for July 2, 2000, will focus on green sites and destinations in the NCR (i.e., the pathways, parkways and parks of the NCR).

This target will be met. Module 1 of the Green Capital User Survey (dealing with the Parkway Sector in Gatineau Park and Stony Swamp) was completed and indicates that visitation levels are higher than originally thought.

## SECTOR III: REAL ASSET MANAGEMENT AND DEVELOPMENT

### STRATEGIES

To manage the life cycle of NCC lands and buildings by ensuring the preservation, protection and sustainable use of natural assets in Gatineau Park, the Greenbelt and Capital Urban Lands.

### PERFORMANCE TARGETS

The NCC will prepare and implement the following regulations to ensure the protection and management of NCC lands:

**1999–2000**

*Animal Control Regulations*

**2000–2001**

*Traffic Regulations*

**2001–2002**

*Property Regulations*

**2000–2001**

The NCC will implement an Integrated Asset Management Information System (IAMIS).

**2001–2002**

The NCC will provide venue and infrastructure support for the Games of la Francophonie.

The NCC will prepare and implement the following management plans:

**1999–2000**

Greenbelt Management Plan

**2001–2002**

Gatineau Park Management Plan (following the revision of the *Gatineau Park Master Plan* in 2000–01)

**2001–2002**

Urban Land Management Plan: Core Area Sector (following completion of the Core Area Sector Plan in 2000–01)

**2003–2004**

The Urban Lands Management Plan (following completion of the Urban lands Master Plan in 2002–03)

**2003–2004**

The NCC will implement an Environmental Management Framework, including an inventory of contaminated sites and an Environmental Action Plan.

### ACHIEVEMENTS

This target has been deferred to 2000–01. The guiding principles have been established, a project schedule and communication plan are in place, a dog run facility study was completed and a strategic environmental assessment finalized. Two focus groups and two public consultations were conducted, with over 1,800 submissions being received from the public. The NCC is working with the public to identify workable options.

This target was deferred to 2001–02. Information gathering continues.

The process of information gathering has begun.

This target has been deferred to 2001–02. The overall IAMIS project plan (with cost estimates) has been finalized, an implementation strategy developed for application during 2000–01, and alternative software solutions have been reviewed.

The NCC has reached an agreement in principle with the organizers of the Games of la Francophonie for the use of NCC properties.

This plan is nearly complete. Adoption has been deferred to 2000–01.

This target was deferred to 2003–04 in keeping with the revised schedule of the new *Gatineau Park Master Plan* (2002–03).

This target is unchanged.

This target has been deferred, in keeping with the revised schedule of the Urban Lands Master Plan.

This target will be met. The NCC approved an annual environmental management and contaminated sites report. In consultation with stakeholders, the first draft of the Environmental Action Plan was developed.



## SECTOR IV: CORPORATE SERVICES

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To take steps to rebuild the corporation's human resources foundation (concept) to promote a committed and motivated workforce and to develop and implement an action plan during the planning period.

To take appropriate action to measure knowledge of and reaction to NCC goals and achievements and to improve that level of appreciation.

To support NCC programs at an appropriate level of effort and with optimal efficiency.

**1999–2000**

The NCC will enter into its first collective agreement as a separate employer.

**1999–2000**

The NCC will define a human resources management (HRM) philosophy and revised human resources renewal strategy, which will be implemented throughout the planning period (1999–2004). When those first steps have been completed, the NCC will put in place a training and development strategy for all NCC employees and will implement it during the planning period (1999–2004).

**2001–2002**

The NCC will achieve and measure an increase of 20 percent in the public's appreciation of its goals and achievements. In the current year, the NCC will develop an action plan to measure and react to public attitudes towards its efforts and achievements. Elements of the action plan will be implemented throughout the planning period (1999–2004).

**1999–2000 to 2001–2002**

The NCC will continue to implement its annual three-year corporate research plan in support of the Corporate Research Framework of 1996.

This target has been met. The NCC signed its first collective agreement on June 10, 1999.

Targets have all been met. The NCC defined a new HRM philosophy and modified the human resources planning process to reflect it, developed a five-year succession management plan and implemented a new training and development strategy, achieving a 2.5 percent investment of its salary budget in training and development.

In the current year, a strategy and action plan were completed and approved. Various elements of the action plan are in development. A public opinion survey of NCR residents was conducted to provide a baseline to assess future communications efforts and an independent study of governance, including an opinion poll, was initiated.

This target was met. Research projects were completed for several major programming activities, green Capital activities and visitor services.

## SECTOR IV: CORPORATE SERVICES

### STRATEGIES

### PERFORMANCE TARGETS

### ACHIEVEMENTS

To exploit information technologies that are Y2K compliant (with a contingency plan) and that provide a strategic advantage for the corporation and to ensure that the NCC is managed effectively and efficiently.

**1999–2000**

The NCC will address issues related to Y2K compliance and will have a contingency plan in place.

**2000–2001**

The NCC will put in place an integrated security screening and management system in support of NCC programs and the management of official residences.

**2003–2004**

The NCC will put in place the federal government's supported security encryption infrastructure.

**2000–2005**

Throughout the planning period, the NCC will continue to enhance the information management components of the Integrated Asset Management Information System (IAMIS).

**2001–2003**

The NCC will put in place an intranet-based capability for accessing and sharing information (2001–02), linked to an electronic document management foundation (2002–03).

**2003–2004**

The NCC will increase the profile of the Government of Canada in its activities, programs and facilities, through the use of such tools as published and printed materials, press releases and signage, by at least 100 percent over 1997–98 levels.

To strengthen the federal presence throughout NCC activities, published materials, programs and properties.

This target was met. The NCC was ready, and no significant Y2K problems were encountered.

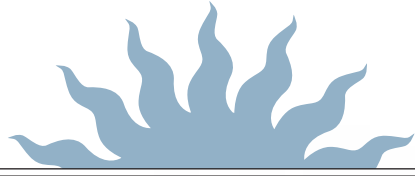
This target was met ahead of schedule. The Security Administration and Screening System (SASS) was successfully implemented, including electronic linkages with key federal government organizations.

This target is being met.

This target is being met.

This target is being met. The target for electronic document management foundation has been moved ahead to 2001–02. A project communication plan has been established and pilot implementation begun.

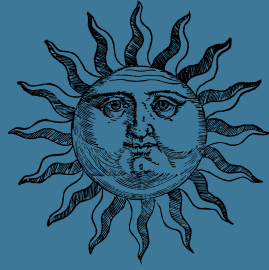
This target is being met in all NCC publications and on a life cycle basis for signage renewal.



# A CAPITAL MISSION

*Creating Pride and Unity*





## THE SECOND CENTURY

*In 1999, the National Capital Commission celebrated 100 years of planning and development in Canada's Capital. Thanks to a century of steady, persistent and focused labour, the National Capital Region has developed over time from a remote little lumber town into a national source of pride for Canadians. Today, the region boasts dozens of Capital parks, some 90 kilometres of parkways and more than 150 kilometres of recreational pathways. The Capital is also rich in monuments, preserved heritage and public places that are used throughout the year as stages for national ceremonies.*

*Much has been accomplished – and much remains to be done as the NCC embarks on its second century.*

*More than anything else, the past year was marked by the emergence of the Plan for Canada's Capital. Third in the series of master plans that has guided the work of the NCC, the plan sets the framework for building and managing the Capital over the next 50 years. Central to the development of this plan was A Capital for Future Generations: Vision for the Core Area of Canada's Capital Region (1998). The NCC submitted that vision for public consultation and, with strong public endorsement for most of the key planning initiatives and contributions that furthered the Commission's thinking in a number of areas, revised it in the form of The Core Area Concept of Canada's Capital. Early in 2000, work began to translate that concept into a sector plan that, over the next half century, will help to transform the central Capital into a place where Canadians can work, live and celebrate Canada.*

The fundamental principles that underlie the NCC's vision for the core are simple – to foster the vitality of the downtown and to strengthen the relationship of “town” and “crown.” The plan foresees development of the central Capital as a destination and a meeting place for Canadians and others. At the same time, it stresses respect for the local community. These considerations helped to define the broad policies that will guide the Commission's future work within the following framework:

- To give priority to the core as an area of federal activity in the Capital
- To enhance the approaches to Parliament Hill
- To improve cross-river access to cultural institutions in Ottawa and Hull
- To improve the south side of the Parliamentary Precinct
- To prepare and implement land use and rehabilitation plans for the Ottawa River shorelines and islands
- To encourage public access to the Ottawa River
- To work with Aboriginal peoples to enhance their presence in the Capital
- To improve the link between the core area and Gatineau Park

The Commission will realize elements of the Core Area Sector Plan by building inter-jurisdictional and private-public partnerships and by working with municipal and regional authorities, with the private sector and with Aboriginal groups. The core area concept includes six initiatives.

### **1. LeBreton Flats**

LeBreton Flats, arguably the most valuable expanse of undeveloped land in the Capital core, is a wonderful riverside space of some 65 hectares situated just west of Ottawa's downtown. The plan foresees LeBreton Flats as an area of mixed housing and small-scale businesses. A linear park following the line of a historic aqueduct will loop around the neighbourhood to the west and south. A large, wedge-shaped festival park will lie at the community's core, and a broad swath of green land will be preserved as a Capital park along the banks of the Ottawa River. The Ottawa River Parkway – part of it renamed LeBreton Boulevard – will be re-routed through the heart of LeBreton Flats. With the necessary agreements in place between the NCC, the Region of Ottawa-Carleton and the City of Ottawa, the year 2000 will see planning begin for decontamination of the soil and establishment of parklands and road infrastructure.

### **2. Chaudières and Victoria Islands**

In their 19th-century heyday, the islands at the Chaudières Falls were a hive of industrial activity. However, the history of these islands goes back much further in time and is associated with thousands of years of travel on the Ottawa River. Victoria Island in particular – traditionally sacred to Canada's First Nations – is envisaged as a place where Aboriginal peoples can express themselves as part of the Capital experience. A new Aboriginal centre is proposed here as a focus for activities that will bring people into new contact with the Aboriginal reality. Footbridges, boardwalks, piers and docks will connect the islands and open them to pedestrian access, while a vital mix of restaurants and shops will entice people to visit the islands.



### 3. Sparks Street Area

Sparks Street is one of the most important heritage streets in the downtown Capital. In recent years, however, the street has suffered commercial decline and the condition of heritage buildings has deteriorated. The plan envisages revitalization of the street through rehabilitation of the heritage buildings and new development for residential (150 units) and commercial use (50,000 square feet of retail space) at the eastern end of the street. The introduction of a large-scale parking facility underneath the area will allow large numbers of visitors and residents to move in and out of the area with ease. The opening up of a plaza on Metcalfe Street between Sparks and Queen streets will create an open and gracious gathering place just below Parliament Hill.

### 4. Connecting with Gatineau Park

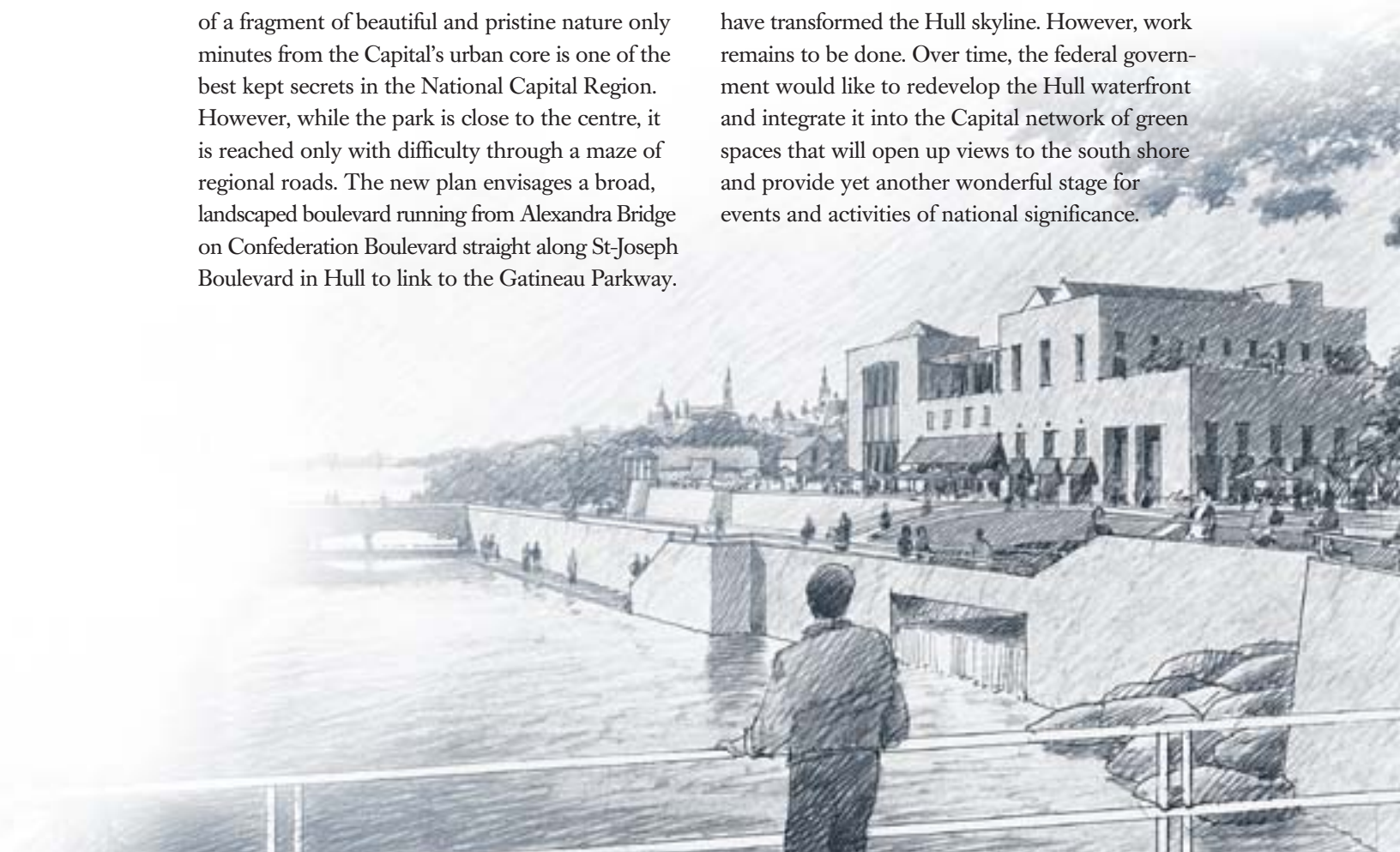
Gatineau Park is an amazing expanse of high rocky land, 35,600 hectares in extent, that penetrates southward into the heart of Hull. The existence of a fragment of beautiful and pristine nature only minutes from the Capital's urban core is one of the best kept secrets in the National Capital Region. However, while the park is close to the centre, it is reached only with difficulty through a maze of regional roads. The new plan envisages a broad, landscaped boulevard running from Alexandra Bridge on Confederation Boulevard straight along St-Joseph Boulevard in Hull to link to the Gatineau Parkway.

### 5. Bank Street Axis

Bank Street, one of the principal north-south arteries in the Capital core, comes to an abrupt halt at Wellington Street in front of Parliament Hill. There is no visual connection to the banks of the river below Parliament Hill, and river access is limited to a small lane that winds its way down the escarpment. In an effort to break down the barrier between federal and civic realms in the Capital, the plan envisages the linking of Bank Street to the banks of the Ottawa River. A lookout would be constructed at the edge of the escarpment. Beautiful terraced steps, 200 metres in length (or paths, or even a funicular railway) would lead down to a riverside docking facility for small boats.

### 6. Industrial Land, Scott Paper

There was a time when the whole shoreline of Hull was defined by smokestacks and the footprint of industry. In recent decades, the federal acquisition of shore lands and the construction of federal office towers and the Canadian Museum of Civilization have transformed the Hull skyline. However, work remains to be done. Over time, the federal government would like to redevelop the Hull waterfront and integrate it into the Capital network of green spaces that will open up views to the south shore and provide yet another wonderful stage for events and activities of national significance.





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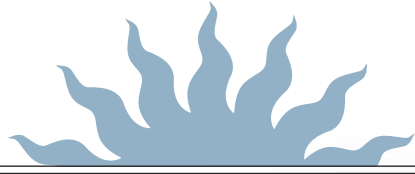
## THE VISION

*Future improvements to the Capital core will continue to reflect its symbolic importance in representing Canada and Canadians to the national and the international community.*

*The Capital core will be enhanced through the integrated and sustainable development of key destinations along Confederation Boulevard on both sides of the Ottawa River. As a stage for the presentation of events, ceremonies and celebrations of both national and international significance, the Capital core will be a means to help Canadians and others to understand Canadian culture and history.*

*The development of the core area will enhance the quality of the built, natural and human environments and will be responsive to the needs of Capital residents and visitors alike. Work will be achieved through partnerships with local interests and various levels of government.*

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# NATIONAL CAPITAL COMMISSION

## *Context*





## HISTORY

### **Building a Capital for Canadians**

In 1999, the NCC celebrated 100 years of urban planning in Canada's Capital. During that century of evolution, Canada's Capital has transformed itself gradually from wilderness outpost to modern metropolis. An important agency of that transformation has been the National Capital Commission (established in 1959) and its predecessors, the Federal District Commission (1927) and the Ottawa Improvement Commission (1899). As a Crown corporation, the NCC functions much like any corporation. What distinguishes it from private-sector enterprises, however, is its public policy purpose – and that is to build a Capital that will represent Canadians and make them proud of their country and heritage.

### **1899–1927**

**OTTAWA IMPROVEMENT COMMISSION** At the end of the 19th century, Canada was growing in strength, prosperity and independence, but its Capital remained a small industrial town. In 1899, Parliament began to change that by sponsoring the creation of the Ottawa Improvement Commission (OIC). Major accomplishments of the new agency included a driveway along the Rideau Canal and in Rockcliffe Park, the Minto Bridges (first part of a planned ceremonial drive from Rideau Hall to Parliament Hill) and landscaping of several new parks in the urban Capital. The OIC also hired Frederick Todd – Canada's first resident landscape architect – to give the Capital its first long-term plan. One of Todd's inspirations – to make this a Capital of parks – still resonates today. The OIC also sponsored the Holt Commission, whose work built on Todd's concept of a regional system of parks and parkways and was the first to recommend rationalization of the tangle of downtown railway lines, the development of parks and government offices according to a comprehensive scheme and the creation of a Capital park to the north of Hull.

### **1927–1959**

**THE FEDERAL DISTRICT COMMISSION** In 1927, a buoyant Canada celebrated 60 years of nationhood, and the government sought means to express the national significance of the Capital. It established the first national capital region (half the size of today's NCR but encompassing territory in both Ontario and Quebec), and it transformed the OIC into the larger and more powerful Federal District Commission (FDC). The new agency, it said, will work "for the general advantage of Canada." From 1934 on, the FDC was responsible for maintaining and landscaping all federal lands in the Capital – including designing the grounds of Parliament Hill. Among its most notable achievements were the building of Champlain Bridge, the installation of the National War Memorial on Confederation Square and the establishment of Gatineau Park. The FDC also worked with French urban planner, Jacques Gréber, to elaborate a new plan for the Capital Region (the so-called "Gréber Plan"). The idea was to build a Capital that would function smoothly as a modern city and, at the same time, work as an inspiring Capital. It was that concept that gave rise to a new organization and to a new era in Capital building.

### **1959–**

**THE NATIONAL CAPITAL COMMISSION** In the post-war years, there was a new sense of the Capital as the country's symbolic heart. The *National Capital Act* of 1958 doubled the size of the National Capital Region, bringing more of Quebec and Ontario together in the Capital and encompassing new expanses of natural and rural land. It also established the National Capital Commission (1959) as the agency for realizing a new master plan for the Capital. The Gréber Plan decreed that railway lines should be ripped out of the heart of the city and replaced with roads and parkways and parks. It recognized the value of the region's wild and rural lands and laid the groundwork for an expanded Gatineau Park and for a Greenbelt in the Ontario part of the region. And it established a series of government

campuses throughout the region. In the early 1970s, construction started on the Place du Portage complex, the first significant government presence in Hull. The integration of Hull into Capital planning continued in 1972, when the NCC bought industrial land in Hull and reserved it as the future site of the Canadian Museum of Civilization. It was the beginning of a series of initiatives designed to transform Hull into Ottawa's partner within the Capital area.

Along with the development of the symbolic Capital has come a new sense of the Capital's power to represent and inspire Canadians. In the past few decades, the NCC has worked not just to build the Capital, but also to bring it to life. In 1971, the NCC made history by transforming the frozen Rideau Canal into the world's longest skating rink. It was the first major experiment in the creation of Capital programming. Today's Rideau Canal Skateway is one of the wintertime wonders of Canada; in its time, it was also a prototype showing how public spaces in the Capital could be used for national celebrations and events. In 1988, the NCC enshrined that concept in the second of its master plans, the *Federal Land Use Plan*. In 1999, the NCC published the *Plan for Canada's Capital*, a direct descendent of the Gréber Plan (1950) and the *Federal Land Use Plan* (1988). The updated plan defines the principles by which a visually beautiful Capital, set in a framework of linking parkways, pathways and shorelines, will develop over the next half century, both as the seat of government and as a symbolic homeland and gathering place for Canadians.

## LEGISLATION

The Parliament of Canada created the National Capital Commission through the *National Capital Act* of 1958, amended in 1988, to:

Prepare plans for and assist in the development, conservation and improvement of the National Capital Region (NCR) in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance; and

Organize, sponsor or promote such public activities and events in the NCR as will enrich the cultural and social fabric of Canada, taking into account the federal character of Canada, the equality of status of the official languages of Canada and the heritage of the people of Canada.

Furthermore, it may:

Coordinate the policies and programs of the Government of Canada respecting the organization, sponsorship or promotion by departments of public activities and events related to the NCR.

## CROWN CORPORATION STATUS

Crown corporation status means that the NCC is subject to the accountability regime set out in Part X of the federal *Financial Administration Act*. It gives the Commission the managerial independence it must have to guide the development of federal lands in the Capital over the long term, the flexibility to harmonize its plans with those of other levels of government in the region and the power to enter into productive partnerships that will further mutual objectives.



**STRUCTURE OF THE NATIONAL CAPITAL COMMISSION**



## GOVERNANCE

Though the NCC's activities focus geographically on the National Capital Region, the Commission has a national mandate: its purpose is to use the Capital to inspire pride and promote unity among Canadians from coast to coast. The challenge is to find ways to reach out from the Capital to communicate with Canadians, to inform them, to involve them in the work of the Commission and to ensure that their ideas and experiences are reflected in the development of their Capital. The apparent dichotomy between local activities and national purpose is addressed in the NCC's board and committee structure, which brings together experts from a wide range of professional backgrounds from the National Capital Region and from across Canada.

### Corporate Governance Guidelines

In 1996, when Treasury Board and the Department of Finance issued *Corporate Governance in Crown Corporations and Other Public Enterprises: Guidelines*, the publication was distributed to members of the Commission (board of directors). Most of the provisions were already present at the NCC, including a clear and effective working relationship between the board and senior management, a strong orientation program for directors and periodic examinations of the board's role in relation to the NCC's mandate, plus involvement in the corporation's strategic planning process. The results of the annual strategic retreat are discussed with the board, and the collective wisdom of commissioners is captured in the annual corporate plan. The board approves the corporate plan and the annual report before they are submitted to the Minister and to Parliament. Corporate performance is regularly communicated to the board. Period review reports are submitted to the board three times a year, identifying any variances between achievements and objectives and targets established in the corporate plan. As well, the board is informed of significant issues relating to governance – for example, a report on environmental liability is presented to the board annually. Regular, detailed information sessions were held during 1998 and 1999 on the Y2K issue, and a similar process is followed to monitor other critical issues.

### The Commission

The Commission (board of directors) governs the NCC and reports to Parliament through the Minister of Canadian Heritage. The Commission is composed of the Chairperson, Vice-Chairperson and 13 other members appointed by Order in Council. In order to ensure national representation, the Commission must include five representatives from the National Capital Region and eight from across the country. The Commission, which meets quarterly, is responsible for the following: planning, guiding and overseeing the overall direction of the organization; managing and safeguarding the NCC's resources; monitoring, evaluating and reporting on performance; and providing guidance on certain operational issues.

### Committees

**EXECUTIVE COMMITTEE** Guides the Commission on corporate issues and strategies, approves projects and transactions and reviews the NCC's corporate plan, operating and capital budgets, financial statements and annual report.

**CORPORATE AUDIT AND EVALUATION COMMITTEE** Reviews internal audit and evaluation reports and the Auditor General's annual financial audits and special examinations. This committee also takes responsibility for discussing and seeking ways to improve corporate governance and to respond to government priorities through the work of the Commission.

**COMPENSATION REVIEW COMMITTEE** Reviews the performance and remuneration of the Chairperson.

**EXECUTIVE MANAGEMENT COMMITTEE** The Chairperson and the senior management team meet weekly to approve submissions related to the day-to-day operations and administration of the NCC. (For a list of current commission members, see page 69.)

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## THE BOARD IN ACTION

*As the NCC geared up to enter a new century, preparations to deal with the Y2K computer problems intensified. For two years, the Y2K issue was part of the board of directors' standard agenda. The commission members drew on their collective expertise to advise and challenge those responsible for preparing the NCC to deal with the "millennium bug." The board monitored progress, warned of issues and satisfied itself, as December 31, 1999 approached, that the corporation was ready. A fully operational NCC sailed into the new millennium.*

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### **Board Orientation**

New members are welcomed with a presentation on the accountability and reporting structures of the NCC and a review of by-laws. Then they are taken on a tour of operations, including meetings with all vice-presidents to discuss processes and products of the NCC and to review current issues. All new members are presented with copies of the federal guidelines as well as documents entitled *Directors of Crown Corporations: An Introductory Guide to Their Roles and Responsibilities and Conflict of Interest and Post-Employment Code for Public Office Holders*. New members also take part in an information session with the NCC general legal counsel to discuss roles and responsibilities, ethics and conflict of interest.

### **Independence**

Members of the Commission act honestly, diligently, carefully and in good faith in accordance with the requirements of the *Financial Administration Act*. In particular, the Commission operates under the terms of a corporate by-law designed to prevent conflict of interest. New members are briefed on the by-law and, if the occasion arises, are permitted to excuse themselves from discussion and decision-making related to potential areas of conflict.

### **Commission and Management Relations**

The board of directors has always maintained a close connection with management of the Commission. Each board meeting starts with a briefing by the Chairperson on current issues and projects, followed by questions and discussion. In March 2000, the NCC commissioned a governance study that will help the Commission to define relationships both within the Commission and with municipalities on both sides of the Ottawa River as municipal and regional reform comes into effect as early as January 2001.

### **Recruitment and Compensation**

The NCC operates in a broad range of industry sectors, including real estate, design and construction, marketing and event planning. The Chairperson advises the Minister's office regarding the sector experience and skills that are needed to fill vacant positions on the board of directors. The NCC has established the Compensation Review Committee, which reviews remuneration and benefits granted to full-time governor-in-council appointments. Unlike the members of most boards, NCC commission members do not receive a per diem remuneration for board meetings, but they are compensated for their work on various committees.

### Advisory Committees

The NCC also acquires national perspective and professional breadth through the operation of several advisory committees. Members of these committees are recruited from among recognized experts in Canada's professional, academic and business communities. These advisory committees make recommendations and provide technical guidance to the NCC and other federal agencies in the Capital.

**ADVISORY COMMITTEE ON MARKETING AND PROGRAMMING** Advises on cultural programming, marketing, sponsorships, partnerships and communications.

**ADVISORY COMMITTEE ON PLANNING, DESIGN AND REALTY** Advises on the use, development and management of public lands in the National Capital Region, including architecture, public works, banners, signs and statuary.

**ADVISORY COMMITTEE ON OFFICIAL RESIDENCES OF CANADA** Advises on maintenance and operational issues related to the six official residences in the National Capital Region.

**THE CANADIANA FUND** Solicits donations of heritage art, furniture and funds for the enhancement of the official residences in keeping with their public function. (For a list of current members, see page 70.)



*Inuit soapstone carving by artist Nowya Quinuajuk, donated to the Canadiana Fund.*

## PRODUCTS AND ACTIVITIES

The NCC, in addressing its mandate, has developed a wide range of services and products. These are united not only by a common purpose and philosophy, but also by very real, functional links between land-use planning, asset development and programming. In delivering its varied products and services, the NCC strives to strike a balance between building infrastructure (the business of the NCC) and using it (the mission of the NCC).

### Sector I: Promoting and Animating the National Capital Region

**OBJECTIVE** To increase awareness of the National Capital Region through national marketing campaigns, communications contacts (broadcasting) and outreach activities, and to present the Capital to visitors as a place to experience Canadian heritage, culture and achievements through varied services, events and programs.

**PRODUCTS** Events and public programming (Canada Day, Parliament Hill sound and light show, Winterlude, etc.); interpretation programs (Capital Infocentre, Confederation Boulevard, Canada and the World Pavilion, Mackenzie King Estate, etc.); youth programs (Adventures in Citizenship, Capital Quiz, etc.); and marketing and outreach (provincial/territorial linkages, capcan website, cooperative marketing campaigns, guide books, etc.).

### Sector II: Planning the National Capital Region

**OBJECTIVE** To guide the physical development and use of federal lands, to coordinate and achieve excellence in design and to plan development that is appropriate to the role and significance of the Capital of Canada.

**PRODUCTS** Long-range visionary plans for the National Capital Region to guide ownership, use and development of federal lands; area and site plans, concepts and guidelines to shape the development and management of federal lands; and land-use and design approvals for all federal lands in the NCR.

### **Sector III: Real Asset Management and Development**

**OBJECTIVE** To manage and protect physical assets of national significance on behalf of future generations of Canadians. **PRODUCTS** A cohesive land base that contributes strongly to an expression of Canadian nationhood in the Capital; a revenue stream from leases, disposals and development initiatives to fund NCC rehabilitation and maintenance; and assets – including the official residences – that are maintained to appropriate standards.

### **Sector IV: Corporate Services**

**OBJECTIVE** To promote efficient and productive use of resources through the centralized provision of corporate services to all of the business lines. **PRODUCTS** Corporate and financial plans and reports; corporate technologies and geomatics; information management; financial and procurement services; accommodation; internal audits and evaluations; human resources; corporate research; corporate secretariat; and corporate communications.

## **CORPORATE ENVIRONMENT**

### **Government**

Unity remains the single most important preoccupation of the Canadian government in an era of improving prosperity. The government achieved a balanced budget in 1998–99 and committed itself to maintaining that performance in subsequent years. Financial stability in turn allowed it to address other priorities, including enhancement of Canada’s international position by making Canada the most technologically integrated – the “most connected” – nation in the world. The government is committed to working with the international community to promote sustainable development and will cooperate with the global community to promote Canadian values internationally.

### **Heritage Portfolio**

Members of the Heritage portfolio share a number of priorities. One is finding ways to enable Canadians to deal with diversity in a spirit of respect. Another is the challenge of creating links: links with the past; links between people – especially Canada’s youth – links with the world and, finally, links with the future. The focus is strongly on young people and is concerned with the creation of a new generation of leaders and cultured citizens.

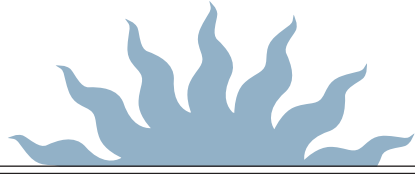
### **Economy**

Interest rates remained relatively stable in 1999, and inflation remained under control in the 1 to 3 percent range. The economy expanded a modest 3 percent in 1998 (down from 3.8 percent the previous year). The national unemployment rate fell to 7.8 percent, its lowest level since 1990. Consumer spending increased, though in the second half of 1998, it declined in response to a tumultuous market. Housing was relatively stable in 1998, although it rebounded in 1999. The Canadian dollar stabilized.

### **Society**

The National Capital Region, with a population of 1.3 million, is now the fourth largest urban concentration in Canada. Here, as in other parts of Canada, the population is aging, and this trend will accelerate in coming years. Seniors form a healthy and vital cohort, with a considerable amount of leisure time and a tendency to travel more than they did in the past. Youth is also changing in Canada. Young people, faced with rising unemployment, are more sharply aware of the need for education, and they demonstrate an especially deep concern for international problems of peace and the environment.





# PERFORMANCE EVALUATION

*The Year in Review*





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## STRATEGIC ISSUES

### **Gathering a Constituency**

Despite the achievements of recent years and the growing support of partners and sponsors, the NCC's goals and achievements are still largely unknown to its Canadian constituency.

### **A Name in the World**

Canada has an enviable reputation in the world for safety, cleanliness and environmental integrity. Last year, the NCC had an opportunity to share that perception with Canadians and, as interest in eco-tourism flourished, to promote the Capital as a green destination.

### **Creating the Capital**

Over the past century, the NCC has accumulated a portfolio of nationally significant assets that it must maintain as a responsible manager. At the same time, however, it continues to build the Capital for future generations. The *Plan for Canada's Capital* is the vital blueprint showing what Canada's Capital will look like in 50 years.

### **Building and Maintaining the Capital**

The NCC started to address the problem of asset "rust-out" nearly a decade ago through a plan that included life-cycle planning and a multi-year capital construction program. To fund this plan, the Commission elaborated a "3D strategy," which involved the divestiture, disposal and development of surplus assets. Though it has made great strides in using a finite resource to get its rehabilitation backlog under control, the NCC is still faced with the need for stabilized funding both to maintain existing assets and to continue the work of building new ones.

### **Looking to the Future**

The future depends on the Commission's workforce, the quality of the working environment and the excellence of the NCC's systems and processes. Seeking to be an "employer of choice" in years to come, the NCC addressed the issues of compensation, the fostering of new knowledge to help employees deliver effectively within a much reduced organization and the provision of innovative technology to support their work and their mandate.



## SECTOR I: PROMOTING AND ANIMATING CANADA'S CAPITAL REGION

### Objective

To foster Canadian pride and contribute to awareness of and enthusiasm for the National Capital Region.

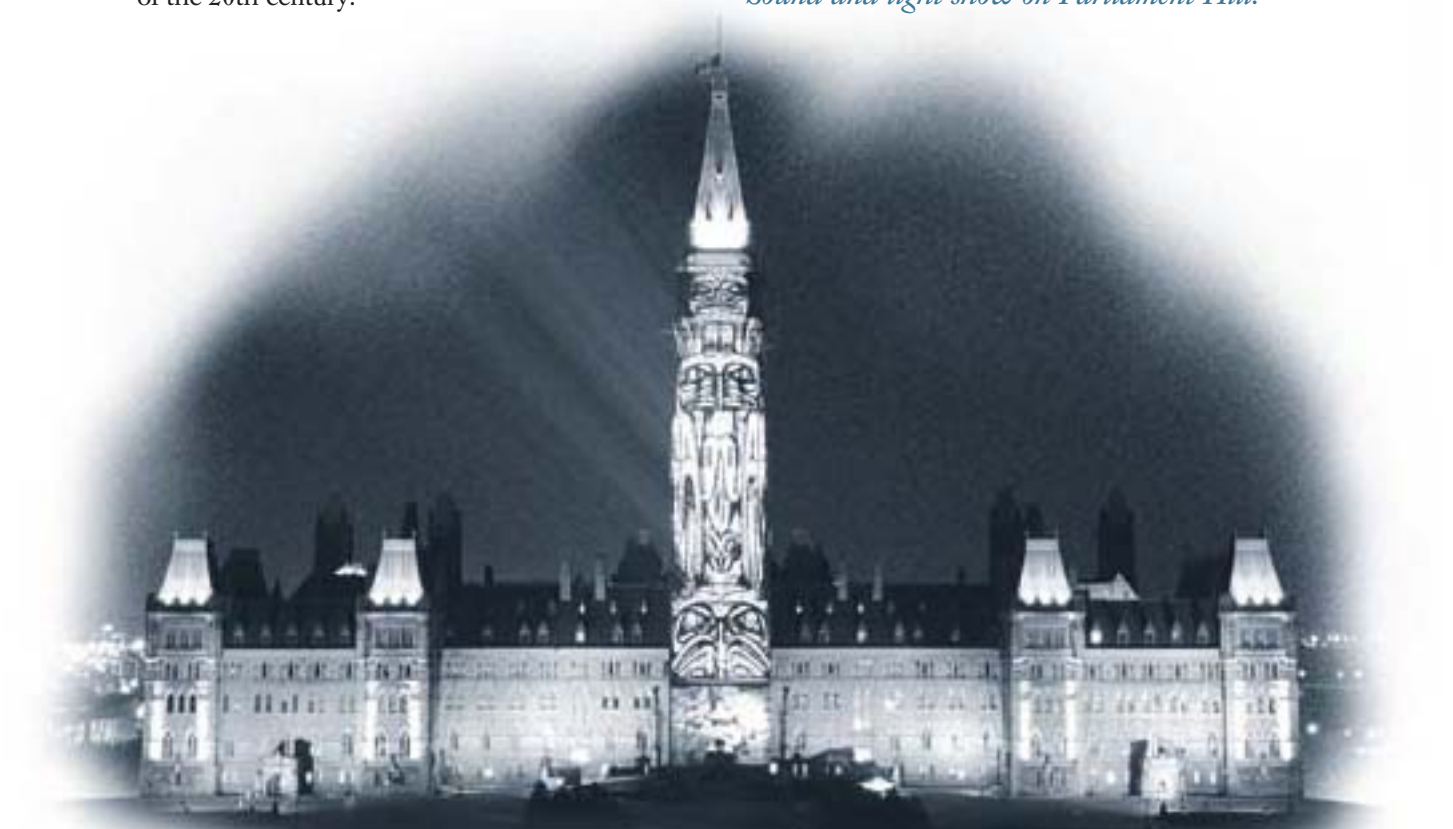
### Canadians in Motion

Canada and the world entered a new era at midnight on December 31, 1999. A century ended, and with it a thousand years of history. The NCC had originally planned a very modest New Year's celebration, mostly centering on existing programs. However, surveys revealed that Canadians wanted more. Responding to that sense of popular excitement, the Commission hosted a New Year's celebration on Parliament Hill and laid the groundwork for other events to take place during the year. The number of mostly youthful volunteers that participated in the New Year's Eve show – over 240 – is just one indicator of how important this moment was to Canadians. The crowds were also larger than expected, with 50,000 people braving the cold to enjoy performances on six stages and fireworks that marked the end of the 20th century.

### On Parliament Hill

Ever since these amazing neo-Gothic buildings were constructed in the 1860s, they have been the focal point of national gatherings and events in the Capital. The past year was no exception. Once again, huge crowds gathered for two programs on Canada Day (105,000 people on Parliament Hill alone), and thousands more watched from across Canada (876,000 viewers nationwide for the CBC-televised noon show and 1,338,000 in the evening). So positive were these results that the NCC was able to secure broadcasting contracts for the next three years. In 1999–2000, as always, major collaborators for the Parliament Hill celebration were the Department of Canadian Heritage and Public Works and Government Services Canada. Planning for the Hill last year included the production – with new multi-year partners coming on board – of a new sound and light show. Called “Wind Odyssey,” the program is a poetic exploration of the Canadian experience, and it will open in June 2000.

*Sound and light show on Parliament Hill.*



### Canada and the World Pavilion

Canada and the World promises to be a star attraction on the international sector of Confederation Boulevard (Sussex Drive north). The new pavilion is being designed as a forum where visitors can see and appreciate the global achievements of Canadians in diplomacy, peacekeeping, aid, science, technology, art and sport. State-of-the-art exhibits will include a “virtual” pavilion, and work is in hand to develop a “virtual” trade mission as part of the Gateway to Australia program for Winterlude 2001. Though the building project was delayed from 2000 to 2001, the architectural plans are in place, the exhibits are ready to go and a series of important relationships are in place – both with programming partners (including the departments of National Defence and Foreign Affairs and International Trade, the Canadian International Development Agency and the Canadian Space Agency/Communications Research Centre). Andersen Consulting was confirmed as presenting sponsor.

### The World in Winter

Twenty-two years have passed since a modest little winter festival called “Winterlude” was first launched on the ice of the Rideau Canal. The 656,000 people who turned out for the Winterlude extravaganza last year are an indicator of how well recognized this

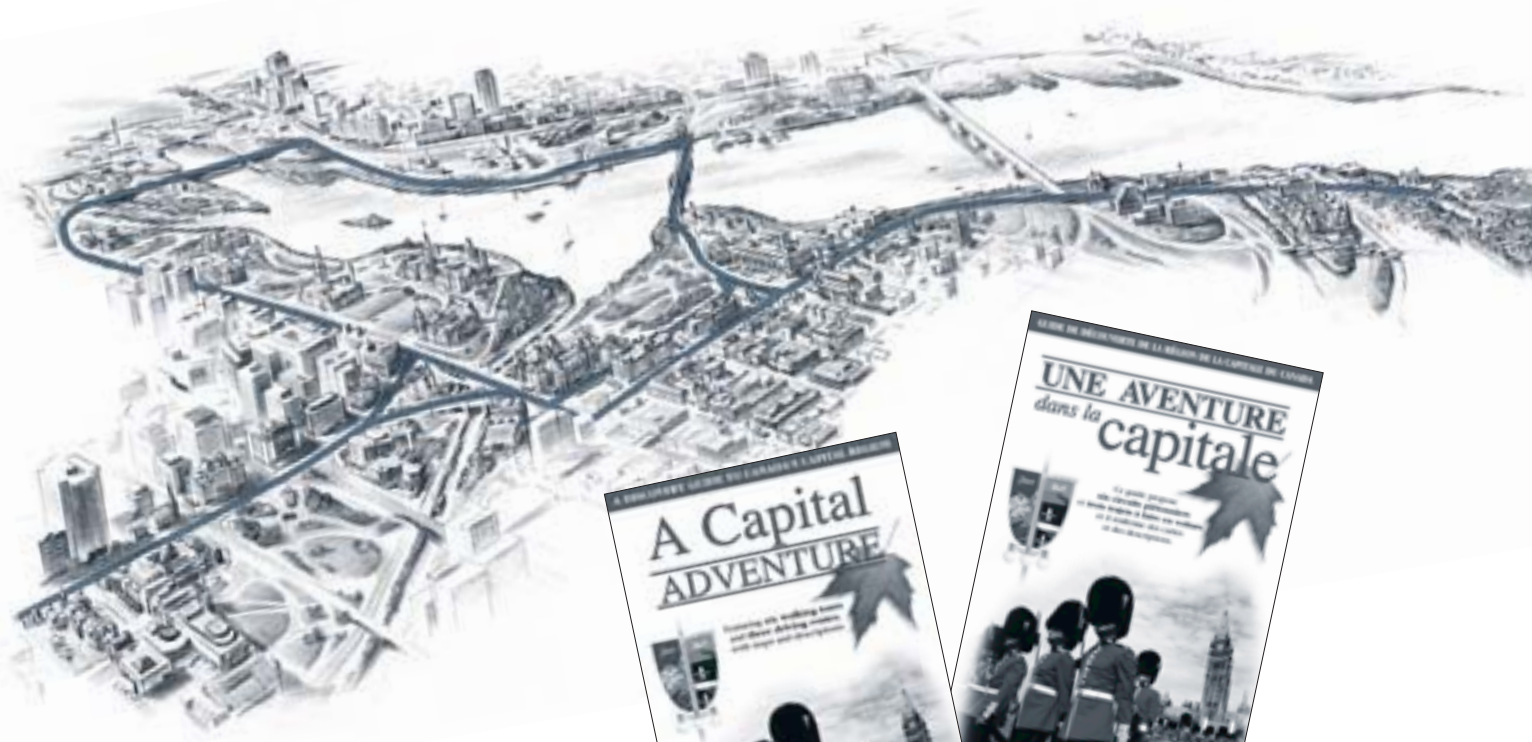


*Electric Circus dance party, Winterlude.*

event has become, locally, nationally and, indeed, internationally. Stellar events in the year 2000 included Snowflake Kingdom at Jacques-Cartier Park and the Electric Circus dance party held on Parliament Hill on the last night of Winterlude. The year 2000 festival also boasted a strong international component, with 15 embassies from the European Union presenting an ice sculpture display at Festival Plaza. At the same time, Australian sculptors delivered a snowy sculpture of surfboarders as a tantalizing preview of Gateway to Australia (scheduled for Winterlude 2001). Talks with the Canadian Olympic Association are also underway to determine the feasibility of establishing on-line classroom links between Canada and Australia as part of next year’s festival. Winterlude logged some 1.6 million visits last year, with economic benefits to the local community in the order of \$46 million.

### Honouring Canadians

Monuments in the Capital are an important expression of who we are as Canadians and what we value. In 1937, a group of idealistic Canadians risked their lives to form an international brigade to fight as volunteers in Spain against the fascist armies of General Franco. Over the years, Canadians have tended to overlook the heroic actions of the Mackenzie-Papineau Battalion (named for the famous reformers of 1837). In 1999–2000, the NCC supported the efforts of the Friends of the Mackenzie-Papineau Battalion to redress that oversight. The Commission donated land and approved a new monument in Confederation Park, where the memorial will join other famous reminders of Canada’s military past. Terry Fox is a hero of another kind – a young man who fought to raise money for cancer research even as he was dying of that disease. In recognition of the high place that he occupies in the Canadian roster of heroes, the NCC last year moved his statue to a more prominent location, on the plaza across from Parliament Hill. As well, the figure of the Anishinabe Scout – formerly part of a monument to Samuel de Champlain – was moved to a position of honour in Major’s Hill Park.



### Confederation Boulevard

Confederation Boulevard – which neared completion in 1999–2000 – is more than a gracious, tree-lined avenue. It is “Canada’s Discovery Route.” To help visitors achieve a meaningful experience of the institutions, monuments, parks and lookouts along the route, the NCC has been working to develop, design, fabricate and install a series of interpretive panels along the Boulevard. Work is well advanced on 13 colourful panels that deal with themes as diverse as the age of rail and the emergence of a capital region. *A Capital Adventure: A Discovery Guide to Canada’s Capital Region* was also developed during the year for publication in summer 2000. The NCC worked with 25 federal partners to develop this guide, which describes six walking tours and three driving routes and brings the Capital to life with hundreds of colourful images and stories.

### Informing Canadians

The Capital Infocentre, situated right across the street from Parliament Hill, lies at the heart of the NCC’s visitor information program. Dramatic increases in Infocentre clientele – 325,000 people, compared to 225,000 last year – were largely attributed to on-site programming and to new partner support. The centennial exhibit was an especially important draw in the past year, offering colourful images and impressions of the Capital over the last century. The work done at the Infocentre was complemented last year by the production of several imaginative new information tools. Notable among these was a one-hour documentary called “Kitchissippi, the Great River,” focusing on the history of the Ottawa River. The film is now available for national broadcasts. With the support of new partners, the NCC also continued its forays into non-traditional media, for example, the adaptation of the *Youth Ambassador Magazine* for online publication and its integration into the capcan website.



### Canadians in the Capital

The Canadian Capital Cities Organization served as a vehicle to expand the NCC's Capital Family Experience into a national program. When it originated in 1995, this national lottery brought 12 families – one from each province and territory – to Canada's Capital twice a year (for Canada Day and Winterlude). In 1999, the program was for the first time transformed into a truly national exchange with nine capitals and 117 families participating. That number will increase again in 2000, when every one of Canada's 13 provincial and territorial capitals, as well as the National Capital, will take part. History Television, the Cable Television Association and the Canadian Olympic Association were welcomed on board as supporters of the new and improved program, now called Celebrate Canada in the Capitals.

### Caring for the Capital

The value that people put on their Capital is measurable in their willingness to help. Volunteers contributed some 10,000 hours of free labour to Canada's Capital last year, turning out in record numbers. A year-end survey showed that an impressive 63 percent of them were returning for a second year at least. Others were brand new, with the NCC recruiting an unprecedented total of 1,500 volunteers, a third more than the previous year. There was a particularly strong showing on New Year's Eve, when 240 people came out to participate in the Parliament Hill event. Another area of intense volunteer interest was the Rideau Canal, with the Friends of the Rideau Canal Skateway contributing strongly to the vitality and viability of the skateway.

### Carrying off the Prize

Canada Day won first prize for Best Overall Program from Festival Ontario. Another of last year's stars was the NCC centennial program, which celebrated 100 years of urban planning in the Capital and was recognized with four awards from the International Festivals and Events Association.

Silver	<i>A Capital Century</i> exhibit (Best Educational Program)  Centennial Pin (Best Pin)
Bronze	Overall volunteer program (Best Volunteer Program)  <i>100 Years in the Life of a Capital and its Region...</i> newspaper insert (Best Newspaper Insert/Supplement)



*A Capital Century exhibit – bus shelter poster.*

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## MARKING A MOMENT IN HISTORY

*Iqaluit, which celebrated its creation as Canada's newest capital in 1999, last summer hosted a very special meeting of the Canadian Capital Cities Organization. Delegates from every capital in the country made the long journey north to take part not only in the annual conference, but also in a festival of the arts and music of Canada's Inuit people in the new territory of Nunavut. The NCC was central to the creation of the Canadian Capital Cities Organization in 1997 and continues to support the organization in its efforts to build links between provincial and territorial capitals across the country.*

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## SECTOR II: PLANNING THE NATIONAL CAPITAL REGION

### **Objectives**

To plan the use and development of federal lands in the NCR, in consultation with other planning jurisdictions, to ensure that its quality of life is respected and safeguarded.

To coordinate development and ensure that uses, plans and designs for federal lands in the NCR are appropriate to their significance, natural environment and heritage.

### **Vision for the Second Century**

With approval of the *Plan for Canada's Capital* in 1999–2000, the NCC is armed with a blueprint for action in the next half century. Successor to the Gréber Plan of 1950 (which focused on the building of Capital infrastructure) and the *Federal Land Use Plan* of 1988 (which defined the special vocation of federal lands in the Capital), the new plan deals with the symbolic importance of the Capital, and it focuses heavily on the core area. During consultations, the public endorsed five of six planning initiatives for the downtown Capital, with especially strong support for the revitalization of historic Sparks Street. The core area vision foresees the opening up of a plaza at Sparks and Metcalfe streets, and it will encourage a mix of commercial and residential uses to bring new life to the downtown. The plan will be distributed in early 2000. (See page 24 for more details.)

### **LeBreton Flats**

The single most important piece of real estate in the Capital downtown is on the verge of a renaissance. After more than 30 years of debate, the three owners of LeBreton Flats – the NCC, the Region of Ottawa-Carleton and the City of Ottawa – have agreed on a future plan for the area. All parties signed the LeBreton Flats Master Land Agreement last year, thus consolidating ownership of lands under the NCC in a way that will allow – depending on private-sector interest and support – for future development. Much of the site is contaminated by long years of industrial uses, and the early focus of work has been largely remedial. Alternative urban design scenarios are being developed, and planning is underway for the construction of LeBreton Boulevard to bisect the planned new neighbourhood.



### **Transportation Planning**

As a federal agency, the NCC is the only organization in the National Capital Region that has an interprovincial transportation planning mandate, and – though it generally divested itself of municipal-like infrastructure in the 1990s – it has retained ownership of two of the region's five bridges. Over the past few years, movement across the Ottawa River has intensified, including both commuter and recreational traffic. Since 1998, the NCC has been working with regional governments and transportation authorities in Ontario and Quebec to elaborate a regional transportation strategy and to determine the location and timing of two new bridges. In 1999–2000, the process of data collection and analysis continued, including the sounding of public opinion.

### **Guarding the Capital Image**

The imprint of the federal government on the face of the Capital is huge. Under the *National Capital Act*, the NCC is responsible for ensuring that all federal departments and agencies meet the same high standard of design for their lands and buildings. To that end, every change to federal properties is subject to regulatory approval by the NCC. It is a process that over the past 40 years has protected and enhanced the quality of the Capital. In 1999–2000, the Commission reviewed some 144 federal land use items and granted 103 approvals. In keeping with the current focus on core development, major projects that were approved last year included the landscape plan for Parliament Hill and a major rehabilitation of the Library of Parliament. Also, the forecourt of the Supreme Court of Canada will be improved and work undertaken at Sussex and Mackenzie.

### **Service to the Environment**

It is the NCC's responsibility not only to build a great capital, but to do so with full awareness and mitigation of the environmental risks and consequences of development. Last year, the Commission worked within the framework of the new five-year environmental site assessment plan, under which some 200 high-priority sites have been identified as the target of preliminary environmental assessments: 30 properties were evaluated at the preliminary level, with 17 follow-up assessments. As regulatory authority for its federal partners, the NCC also examined 50 projects for possible environment impact. In compliance with the *Canadian Environmental Assessment Act*, the NCC carried out environmental impact assessments for all of its own projects and transactions as well (49 assessments). In recognition of its role both as a practitioner and as a leader in the field of environmental protection, the Canadian Association of Landscape Architects last year presented the NCC with its award for Service to the Environment.

### **Cherishing the Past**

Protection of the natural environment is only one consideration for the NCC. It is also responsible for mapping out and protecting the archeological treasures that are hidden in the soil of the National Capital Region. To that end, the NCC last year completed the complex process of plotting archeological sites in the Capital and entering them in its Geographic Information System (GIS). In 1992, the NCC – working in partnership with members of the First Nations, among others – undertook to plumb the prehistory of the region through archeological digs at Leamy Lake, which is the most important archeological site in Hull. The project ended in 1998, and last year the NCC arranged to transfer the findings – including artefacts that go back 5,000 years in time – to the Canadian Museum of Civilization.



## 100 YEARS OF EXCELLENCE

*In 1999, the American Society of Landscape Architects honoured the NCC with its Award of Excellence – one of the profession’s most prestigious prizes – for the whole body of its work over the past century.*

*The award recognizes that the work of the NCC has been large in scope, has contributed to the creation of a substantial and accessible landscape and has demonstrated an enduring commitment to excellence, symbolism and grandeur. The award also honours the Commission’s strong contribution to the profession of landscape architecture. Matching awards came from the Ontario Association of Landscape Architects and L’Association des architectes paysagistes du Québec.*

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### III. REAL ASSET MANAGEMENT AND DEVELOPMENT

#### Objectives

To provide opportunities to enhance the rich cultural heritage and natural environment of the NCR.

To optimize the contribution of lands and buildings in supporting the programs and mandate of the NCC.

#### Creating a Capital Legacy

The National Capital Commission, as the builder and owner of buildings, roads and bridges throughout the region, bears a heavy burden of maintenance and rehabilitation responsibility. At the same time, it is responsible for the long-term task of building a great capital for Canadians. It addresses both these responsibilities through a Multi-Year Capital Construction Program (MYCCP), which is funded through a combination of federal appropriations and land sales revenue. Despite certain funding challenges, the MYCCP functions well under the close supervision of a senior management review committee. However, surplus lands are finite, and as of last year sales revenues were no longer adequate to cover the ongoing cost of capital projects. The NCC is working with Treasury Board to develop options for additional funding to support the building of a Capital legacy.

#### Confederation Boulevard

Confederation Boulevard, the flagship project of the NCC throughout the 1990s, neared completion in 1999–2000. The Elgin Street sector, with new paving and granite-edged, tree-lined curbs, now functions as it was meant to – as a grand approach to the National War Memorial and to Parliament Hill. On Confederation Square, a staircase was opened downward to link the plaza to the banks of the Rideau Canal, and the art deco spirit of the National War Memorial has been extended to street decorations all around the monument. Construction of the York Steps to link Sussex Drive and Mackenzie Street has given the Capital a major new landmark (one that was recognized by an Award of Excellence from the Ontario Association of Landscape Architects). Preparations were made for the tomb of the Unknown Soldier to be laid at the Cenotaph in May 2000. On the other side of the river, work continued apace to complete the final section of Confederation Boulevard (on Hull's Laurier Street) in time for the June 2000 opening.



*Tomb of the Unknown Soldier.*

#### Canada and the World

The new Canada and the World Pavilion at Rideau Falls has generated considerable excitement in the Capital's international community, as evidenced by the arrival on board of five new federal partners last year. With an exciting architectural design in place and the exhibits fully developed, the project encountered a slight delay. The NCC had to revise its original concept due to the limitations of the site and adjust its design accordingly. However, the project has been re-scheduled to open in 2001.

### Official Residences

The six official residences in the National Capital Region include some of the Capital's most important and historic houses. As well as being residences, they serve as showcases of Canadian heritage and as stages for the enactment of national ceremonies. When it took over management of the official residences in 1985, the NCC found many of these houses in a state of decay. The first few years of the Commission's stewardship involved the elaboration and early implementation of a multi-year rehabilitation plan. In 1999–2000, the NCC was awarded part of the long-term funding it needs to carry this program forward. Projects of the past year included major work at Rideau Hall (notably rehabilitation of the Princess Anne Entrance, the first phase of a Sewer Renewal Program, construction of an RCMP centre and renovation of Rideau Hall Private Quarters). The property at 9 Rideau Gate, across the street from Rideau Hall, was purchased, thus consolidating federal ownership and enhancing security around the Gate.

### Games of la Francophonie

Hull comes of age in the year 2000, when it celebrates its 200th anniversary. However, the real birthday party will take place a year later, when it hosts the Games of la Francophonie. The arrival of the French-speaking world's equivalent to the Commonwealth Games has involved the NCC in complex preparations and negotiations for the event's use of federal lands. The major site of activities will be Jacques-Cartier Park. However, the Organizing Committee of the Games has requested the right to use adjacent federal properties as well – notably the Alexandra Bridge, Major's Hill Park and the Sussex Courtyards. The concern that drives the discussions is protection of Capital assets from the effects of massive public use.

### Gateway to Gatineau Park

The new Gatineau Park Visitor Centre, completed in 1999, is more than an information centre; it is an experience in itself. The extraordinary transformation of an old industrial building into a combination of exhibit hall and visitor information centre offers visitors to the park a wonderful place to orient themselves and plan their visit. The exhibit includes a fascinating backward glance into the history of the Gatineau Hills. It defines the kind of experiences that await visitors (recreational, historic, scenic, etc.) and introduces them to the geology and wildlife of the park. On the centre's doorstep, there is a beaver dam, sugar shack and short interpretive trail. The number of visitors arriving at the main Visitor Centre was 25,000 last year, compared to 17,750 seeking information the previous year. A total of 19,200 stopped in at the Gamelin Welcome Area, compared to 16,200 the previous year.



*Gatineau Park Visitor Centre – exhibit hall.*





**The Green Capital**

The Green Capital User/Visitor Survey yielded some startling findings relating to Gatineau Park and Stony Swamp – in particular, the information that public use of these areas is much higher than was previously estimated. One of the extraordinary features of Canada’s Capital Region is the recreational pathway system that stretches more than 150 kilometres from one end of the region to the other. The NCC continued working to extend its pathways and, by linking them through the Greenbelt to the Trans Canada Trail, to make them part of a 15,000-kilometre national system. Extension of the Greenbelt trail is underway. A new millennial pathway map was developed for publication in 2000.

**Balancing Use and Preservation**

The green image of the National Capital Region continues to inspire the NCC in its efforts to balance public uses with preservation of the natural environment. To promote awareness of environmental goals, an Environmental Awareness Training program was developed for all NCC employees for delivery in early 2000–01. The Watts Creek evaluation and assessment was completed, along with a beaver survey. Data from over 100 new environmental assessments were added to the contaminated sites database. A recycling plan and procedures were developed and implemented for the NCC headquarters at 40 Elgin Street. As well, the NCC continued work on a series of regulations designed to protect its natural land holdings. These included *Animal Control Regulations*, which generated 1,800 submissions during public consultation. Given the strong public interest in this aspect of land management, the NCC deferred implementation of the regulations to allow for further discussion with public interest groups.

**Gatineau Park**

Gatineau Park has always belonged to the public in a special way. It was volunteers who cut the first ski trails in the early 1900s, and in 1938 it was public outcry that spurred creation of a park. That sense of public ownership is still alive in the year 2000, which marked the creation of a new group of supporters – the Friends of Gatineau Park. Already 200 members strong at the outset, the association is negotiating a three-year agreement with the NCC. Gatineau Park is currently being managed under contract by ProFac (last year, the contract was extended for another two years). Habitat protection studies of water quality, bogs, heronries and loons were carried out during the year, and three new plant species were added to the Park’s rare plant list, bringing the total to 62. Revenues exceeded targets in every area last year, as follows:

	Revenues	Target
Beaches and the Mackenzie King Estate	\$270,000	\$240,000
Camping	\$256,000	\$190,000
Winter revenues	\$216,000	\$190,000








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## THIRTY YEARS ON ICE

*The Rideau Canal Skateway – at 7.8 kilometres, the world’s longest skating rink – celebrated its 30th anniversary in 2000. Some 600 people, many dressed in 1970s clothing and hairdos, gathered on the ice to mark the moment with a giant birthday cake. Once again last winter, the Skateway attracted in the order of one million skaters (400,000 during Winterlude alone). Managers of the Skateway are considered experts internationally on the maintenance of natural ice, and through them the NCC has shared its expertise with other countries at their request.*

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### **A Living Laboratory**

The Greenbelt is growing. Until last year, almost one third of an ecological treasure called “Mer Bleue” lay outside the protective boundaries of the Greenbelt. The recent purchase of 255 hectares has now extended federal protection to five-sixths of that precious wetland. During the retreat of post-glacial seas some 12,000 years ago, Mer Bleue formed the main channel of the Ottawa River; now, it is an immense bog and home to many rare species of plant and animal. In 1995, it was recognized as an internationally significant wetland under the United Nations Ramsar Convention, and its ecological importance cannot be overstated. Hundreds of rare species thrive here – for example, the spotted turtle, which last year’s research found to be successfully reproducing in Mer Bleue.

### **Sharing the Vision**

The NCC continued to work creatively with municipalities to divest itself of surplus lands and to encourage municipal buy-in to the NCC vision. In particular, the NCC agreed to exchange surplus lands in the Municipality of Aylmer, which has undertaken in return to complete improvements to the Ottawa River shoreline, including pathways, and to create a boulevard in the approaches to town. Similarly, recreational lands in Gloucester have been ceded to that municipality to provide an incentive to invest in improvement.

## SECTOR IV: CORPORATE SERVICES

### **Objective**

To provide corporate-wide strategic, financial and human resource advice, as well as technological tools and expertise, to ensure the effective and efficient operation of the corporation.

### **Renewal**

After a decade of downsizing and corporate restructuring – very costly exercises in terms of human resources and staff morale – the NCC has embarked on a multi-year program to improve working conditions, to support workers with state-of-the-art tools and to deliver attractive compensation. The main achievement of 1999–2000 was to elaborate a new philosophy for the management of human resources and to modify personnel processes accordingly. The discussion of corporate values and ethics started at the senior and middle manager’s level, then filtered down to the employee level. The NCC revised its human resources renewal strategy, including a five-year succession management plan and new training initiatives. Implementation of the new training and development strategy was accomplished a year ahead of schedule. The NCC is currently investing 2.5 percent of its salary budget in training, which translates into 32 hours of training per employee annually.

### **Garnering Appreciation and Support**

The NCC is nationally and internationally recognized for the quality of its work and has received some very prestigious international awards in the recent past. Yet the NCC believes that its mission and accomplishments are not widely understood or appreciated by its local constituency. Last year, the Commission elaborated a strategy to improve its local profile, prepared an action plan and went to local residents to get a baseline reading of public opinion. The results were startling. Not only was there a high level of awareness for most activities (as high as 61 percent for the Rideau Canal Skateway), there were outstanding levels of satisfaction with almost all programs (approximately 70 to 90 percent of respondents were “extremely satisfied” or “satisfied” for most areas of activity, such as Christmas Lights Across Canada and Winterlude). Only when asked about the planning of federal lands did approval ratings decrease to moderate levels. It is here that the NCC will focus its communication efforts in future. The NCC commissioned an independent review of governance practices, including a public opinion poll, in late March 2000 to provide guidance on its relationships in the NCR. The Commission also took steps to increase the profile of the federal government in all its publications and signage by, for example, rigorous application of the Canada wordmark.

### **A Factual Approach**

No corporation can function effectively without information. The baseline survey of local attitudes to the NCC was only one of a wide array of research projects carried out last year to arm the NCC with accurate, up-to-date statistics. Research was carried out within the framework of the Corporate Research Plan to determine the results of Winterlude 2000, to count heads at NCC visitor information outlets and to find out how many people are making use of the Capital’s green resources (and who those people are). The NCC also performed focus testing for current projects (such as Confederation Boulevard) and new products (such as the Confederation Boulevard Discovery Guide).

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## SHARING A WEALTH OF IMAGES

*The NCC is giving other levels of government, police, fire-fighters and schools unparalleled access to GIS data on the National Capital Region. The NCC has long been developing, updating and upgrading its data collection through aerial photography, which it has now translated into orthophotos (aerial photographs that have been manipulated electronically to reduce distortion and enhance accuracy).*

*The size of the NCC's mapping database and its quality are superb, and the Commission has now released more than 130 orthophotos under license to Carleton University, to the Maps, Data and Government Information Centre and to the University of Ottawa Map Library. This is only the latest of a series of donations of geospatial materials.*

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### **State of the Art**

The thrust to modernize for maximum effectiveness continues. In the area of administration, upgrades to the PeopleSoft Human Resources Management and Payroll System and Oracle Financials were completed. For land-related research and management, the Geographic Information System (GIS) is one of the Commission's most important tools. All NCC-owned and managed lands within the Greenbelt have now been updated on GIS, using the 1998 digital orthophoto information. As well, the NCC is keeping pace with land registration initiatives in the provinces of Ontario and Quebec and is updating its database as information flows in from those sources. Last year, the NCC also implemented a new security and screening system linked to federal security organizations.

### **Ready for Y2K**

The world was poised for catastrophe on the eve of the new millennium as it faced the "Y2K bug." It was a problem that threatened to shut down power grids, render computer networks useless and close the equipment rooms that modern businesses depend on. In the final years of the 20th century, there was widespread fear of global havoc. The NCC began to make its systems Y2K compliant in 1997 and in 1998 to identify and test thousands of embedded systems (those that govern elevators, generators, water supply, power and myriad other essential services) on thousands of NCC properties. Through precise project planning and coordination (within the NCC and with other emergency preparedness teams) and the development of a comprehensive contingency plan that was used as a model for other agencies, the NCC was successful in avoiding Y2K problems. Of the Commission's 400 employees, fully 150 were involved. Led by a small project control team, they made it possible for the NCC to emerge unscathed in the early hours of the year 2000. The NCC is grateful to them for their dedication and professionalism.



## A CLEAR ACCOUNTING

*For the second time in three years, the NCC was awarded the Auditor General's Award for Excellence in Annual Reporting. The Auditor General, in writing to congratulate the NCC, said that:*

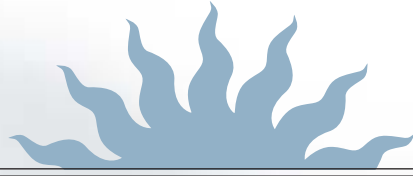
*"To be selected as one of the winners of this prize is a noteworthy achievement."*

### **A Watchful Eye**

The function of Audit and Evaluation at the NCC is to apprise the Corporate Audit and Evaluation Committee and senior management of the effectiveness and the efficiency of the controls, processes and programs of the Commission. Over the past few years, the group has focused on corporate initiatives such as commercialization, corporate systems renewal and environmental management. In 1999–2000 in particular, the group conducted a risk assessment of the NCC's operations to identify the risk areas that will require attention over the next few years. Furthermore, it reviewed the Commission's merchandising activities and made recommendations that will be used in an upcoming review of revenue generation. The group has also closely monitored management's response to observations made in the Auditor General's Special Examination. Other risk areas – for example, procurement practices – are examined annually.

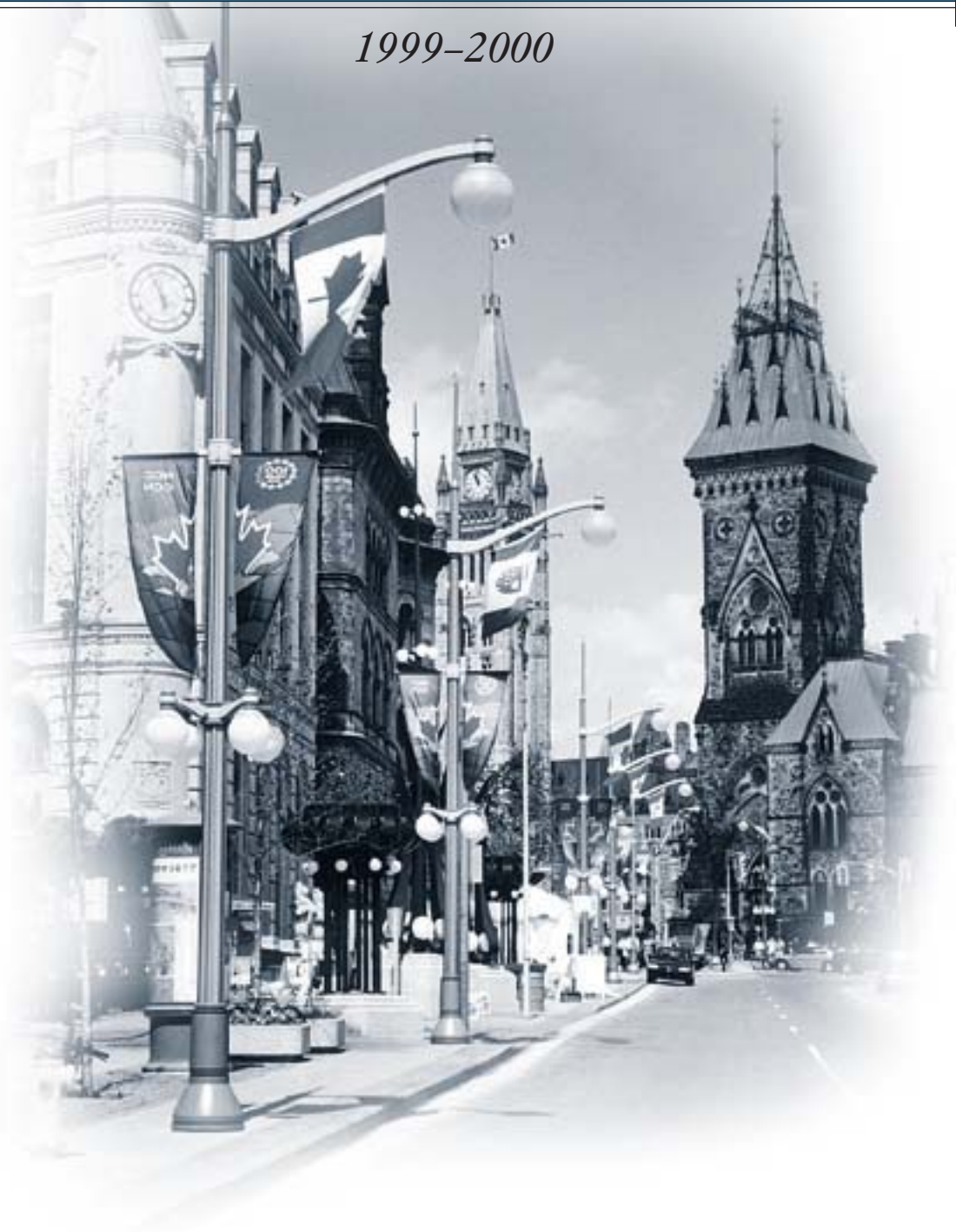
### **Alternative Fuels**

As part of its commitment under the *Alternative Fuels Act*, the Commission relies on the Q-Tool analysis (developed by Natural Resources Canada) to support its fleet replacement program. Using this method, it was found that none of the eight vehicles replaced during the year was suitable for alternative fuel use. However, the NCC continues to use environmentally friendly, low-level ethanol blended fuels, such as E10, which are relatively clean-burning. In keeping with the reduced size of the new NCC, the fleet has stabilized at 30 vehicles.



# FINANCIAL STATEMENTS

*1999-2000*





## MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of the National Capital Commission are the responsibility of management and have been approved by the members of the Commission. These financial statements have been prepared by management in accordance with generally accepted accounting principles and, where appropriate, they include amounts that have been estimated according to management's best judgement.

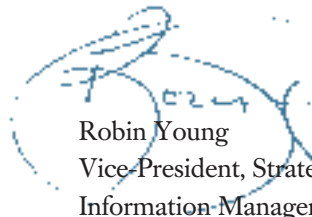
Management has developed and maintains books of accounts, records, financial and management controls and information systems. These are designed to provide reasonable assurance that the Commission's assets are safeguarded and controlled, that resources are managed economically and efficiently in the attainment of corporate objectives, and that transactions are in accordance with Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, and by-laws of the Commission. Internal audits are conducted to assess the performance of information systems and management controls and practices.

The Commission's external auditor, the Auditor General of Canada, has audited the financial statements and has reported on his audit to the Commission and to the Minister of Canadian Heritage.

The members of the Commission carry out their responsibilities for the financial statements principally through the Corporate Audit and Evaluation Committee, which consists of members of the Commission only. The Committee meets periodically with management, as well as with the internal and external auditors, to discuss the results of the audit examinations with respect to the adequacy of internal accounting controls and to review and discuss financial reporting matters. The external and internal auditors have full access to the Corporate Audit and Evaluation Committee, with or without the presence of management.



Marcel Beaudry  
Chairperson



Robin Young  
Vice-President, Strategic Planning and  
Information Management

June 2, 2000



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

## AUDITOR'S REPORT

To the Minister of Canadian Heritage

I have audited the balance sheet of the National Capital Commission as at March 31, 2000 and the statements of operations, equity of Canada and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Commission that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, and the by-laws of the Commission.

Richard Flageole, FCA  
Assistant Auditor General  
for the Auditor General of Canada

Ottawa, Canada  
June 2, 2000

*National Capital Commission*  
**BALANCE SHEET AS AT MARCH 31**

(thousands of dollars)

2000                      1999

**ASSETS**

**Current**

Cash and short-term deposits (Note 3)	\$ 62,757	\$ 41,188
Accounts receivable		
Federal government departments and agencies	1,210	957
Tenants and others	3,983	2,279
Prepaid expenses	3,496	2,008

**71,446                      46,432**

**Trust Account (Note 4)**

**4,716                      4,863**

**Capital Assets (Note 5)**

**405,000                      373,532**

**\$ 481,162                      \$ 424,827**

**LIABILITIES**

**Current**

Accounts payable and accrued liabilities		
Federal government departments and agencies	\$ 5,124	\$ 1,408
Others	15,454	14,755
Current portion of unsettled expropriations of property and land exchanges	–	1,618
Current portion of provision for environmental clean-up (Note 8)	386	380

**20,964                      18,161**

**Accrued employee termination benefits**

**4,606                      3,965**

**Unsettled expropriations of property and land exchanges**

**3,179                      3,161**

**Deferred insurance proceeds (Note 4)**

**4,716                      4,863**

**Deferred rent inducement**

**3,591                      3,773**

**Provision for environmental clean-up (Note 8)**

**5,066                      4,204**

**42,122                      38,127**

**Commitments and contingencies (Notes 7 and 8)**

**EQUITY OF CANADA**

**439,040                      386,700**

**\$ 481,162                      \$ 424,827**

The notes are an integral part of the financial statements.

Approved by the Commission



Marcel Beaudry  
Chairperson



Irving Schwartz  
Chairperson, Corporate Audit and Evaluation Committee

*National Capital Commission*  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31**

	(thousands of dollars)	
	2000	1999
<b>INCOME</b>		
Rental operations and easements	\$ 13,716	\$ 12,611
Interest	3,640	1,419
Net gain on disposal of capital assets	2,456	3,814
Sponsorship		
Cash	727	905
Goods and services	850	479
User access fees	1,127	1,022
Sub-lease, headquarters	1,221	1,275
Other fees and recoveries	3,613	3,154
	<b>27,350</b>	<b>24,679</b>
<b>COST OF OPERATIONS (NOTE 6)</b>		
Planning the National Capital Region	1,946	2,054
Promoting and Animating the National Capital Region	15,888	14,033
Real Asset Management and Development	53,078	51,853
Corporate Services	20,862	22,624
	<b>91,774</b>	<b>90,564</b>
Cost of Operations before parliamentary appropriations	<b>(64,424)</b>	<b>(65,885)</b>
Parliamentary appropriations	53,302	58,614
<b>Net Cost of Operations</b>	<b>\$ (11,122)</b>	<b>\$ (7,271)</b>

The notes are an integral part of the financial statements.

*National Capital Commission*  
**STATEMENT OF EQUITY OF CANADA**  
**FOR THE YEAR ENDED MARCH 31**

(thousands of dollars)

2000                      1999

**OPERATIONS**

Balance at beginning of year	\$ 383,544	\$ 357,806
Net cost of operations	(11,122)	(7,271)
Transfer of capital assets from Government of Canada	8,829	-
Donation of works of art	42	-
Parliamentary appropriations to acquire and improve capital assets	54,099	33,009
Balance at end of year	435,392	383,544

**CANADIANA FUND<sup>1</sup>**

Balance at beginning of year	3,156	2,908
Donations	492	248
Balance at end of year	3,648	3,156
<b>Total balance at end of year</b>	<b>\$ 439,040</b>	<b>\$ 386,700</b>

The notes are an integral part of the financial statements.

1. The Canadiana Fund was established to build the Crown Collection of antiques and works of art for the official residences.



*National Capital Commission*  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31**

(thousands of dollars)

2000                      1999

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash receipts from parliamentary appropriations for operating activities	\$ 52,933	\$ 58,614
Cash receipts from rental operations and easements	13,747	12,371
Cash receipts from other operations	5,713	9,022
Cash paid to suppliers and employees	(78,683)	(72,100)
Interest received	2,996	1,241

**Cash flows (used in) from operating activities**

**(3,294)                      9,148**

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases and improvements to capital assets	(32,013)	(31,218)
Proceeds on disposal of capital assets	3,282	5,720
Disbursements for settlement of expropriations of property	(511)	(799)
Disbursements for environmental clean-up	(10)	(361)
Proceeds from sales-type leases	-	268

**Cash flows used in investing activities**

**(29,252)                      (26,390)**

**CASH FLOWS FROM FINANCING ACTIVITIES**

Cash receipts from parliamentary appropriations for capital assets	54,099	33,009
Cash receipts for Canadiana Fund	16	6

**Cash flows from financing activities**

**54,115                      33,015**

**Increase in cash and short-term deposits**

**21,569                      15,773**

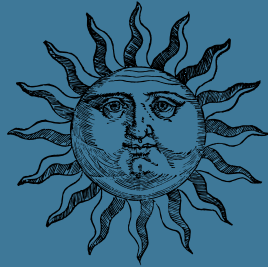
**Cash and short-term deposits at beginning of year**

**41,188                      25,415**

**Cash and short-term deposits at end of year**

**\$ 62,757                      \$ 41,188**

The notes are an integral part of the financial statements.



NOTES TO  
FINANCIAL  
STATEMENTS  
AS AT  
MARCH 31, 2000

## 1. AUTHORITY AND OBJECTIVES

The National Capital Commission was established in 1959 under the terms of the *National Capital Act* (1958). The Commission is an agent Crown corporation without share capital named in Part I of Schedule III to the *Financial Administration Act* and is not subject to the requirements of the *Income Tax Act*. The objects and purposes of the Commission, as stated in the *National Capital Act* as amended in 1988, are to:

- (a) prepare plans for and assist in the development, conservation and improvement of the National Capital Region in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance; and
- (b) organize, sponsor or promote such public activities and events in the National Capital Region as will enrich the cultural and social fabric of Canada, taking into account the federal character of Canada, the equality of status of the official languages of Canada and the heritage of the people of Canada.

As well as these objectives, in 1988, the Act gave the Commission an important additional power: to coordinate the policies and programs of the Government of Canada respecting the organization, sponsorship or promotion by departments of public activities and events related to the National Capital Region.

The Commission is also responsible for the management and maintenance of the assets of the official residences located in the National Capital Region. The Commission created the Canadiana Fund to encourage Canadians to participate in the development of the official residences as shrines of Canadian history and achievement.

## 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles and reflect the following policies:

### (a) Capital Assets

Capital assets are generally recorded at historical cost. Property acquired for a nominal value or by donation is recorded, as contributed capital assets, at market value at time of acquisition or at the nominal value if the market value cannot reasonably be determined. Antiques or works of art donated to the Canadiana Fund and the Commission are recorded, as contributed capital assets, at market value at time of the donation. If the market value cannot reasonably be determined, the transaction is recorded at nominal value. Improvements that extend the useful life of buildings and equipment are capitalized.

### (b) Amortization

Amortization of assets in use is charged to operations in equal annual amounts based on the cost of the assets and their estimated useful life as follows:

Buildings	20 years
Parkways, roadways, and bridges	25 years
Park landscaping and improvement	25 years
Leasehold improvements	Term of lease
Machinery and equipment	10 years
Office furniture	10 years
Office equipment	5 years
Vehicles	5 years
Antiques and works of art	Nil
Computer and communications equipment	3 years

### (c) Non-Monetary Transactions

When an exchange of assets takes place and there is a change in the purpose for which the asset is held, the transaction is recorded at the fair market value of the asset received. If there is no change in purpose for which the asset is held, the transaction is recorded at the carrying value of the asset given up. When there is an exchange of goods or services in kind, the transaction is recorded at the fair market value of the goods or services received. If the fair market value of the goods or services given up is more determinable, that fair market value will be used to record the transaction.

### (d) Pension Plan

Commission employees are covered by the Public Service Superannuation Plan administered by the Government of Canada. The Commission's contributions to the plan are limited to an amount equal to the employees' contributions on account of current and certain past service. These contributions represent the total pension obligations of the Commission and are charged to operations on a current basis. The Commission is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

### (e) Employee Termination Benefits

Severance pay generally accrues to employees over their service period and is payable on their separation or retirement. The liability for these benefits is recorded in the accounts as the benefits accrue to the employees.

### (f) Deferred Rent Inducement

The Commission currently leases its headquarters office space. Moving expenses and major leasehold improvements incurred by the lessor to accommodate Commission needs have been recorded as of the effective date of the lease and are amortized over the term of the lease.

### 3. CASH AND SHORT-TERM DEPOSITS

#### **(g) Parliamentary Appropriations**

Parliamentary appropriations for operating expenditures and for grants and contributions to other levels of government and other authorities are included on the statement of operations in the year for which they were approved. Parliamentary appropriations to acquire and improve capital assets are credited to the equity of Canada as they represent the permanent investment of Canada in the Commission.

#### **(h) Workers' Compensation**

The Commission assumes all risks for workers' compensation claims. The cost of claims resulting from injuries on duty are recorded in the year when compensation payments are due.

#### **(i) Provision for Environmental Clean-up**

The Commission records a provision for environmental clean-up in situations where the Commission is obligated or is likely to be obligated to incur costs related to risk management and to the remediation and removal of contaminated material from environmentally contaminated sites, and the cost can be reasonably estimated following a detailed environmental assessment. The cost of remediation varies depending on the use of soil.

#### **(j) Unsettled Expropriations of Property**

Unsettled expropriations of property are recorded on the basis of real property appraisal performed by certified appraisers and other domain experts in addition to other expenses incurred during the expropriation process.

The Commission's policy is to invest temporary excess cash in short-term deposit certificates, Treasury bills, and banker's acceptances with Canadian financial institutions. These are recorded at cost. As at March 31, 2000, cash and short-term deposits include deposit certificates and banker's acceptances at a weighted average interest rate of 5.3 percent (4.9 percent in 1999). The fair value of cash and short-term deposits is equal to the book value due to the maturity date.

Cash and short-term deposits at year-end amounted to \$62.757 million (\$41.188 million in 1999). Included in this cash balance are funds that are segregated:

- (a) cash donations received for the Canadiana Fund in the amount of \$28,062 (\$27,809 in 1999);
- (b) funds of \$29.819 million (nil in 1999) for the purpose of acquiring and trading lands along the Sparks Street Mall, in Ottawa, pursuant to Governor in Council authority;
- (c) funds, in the amount of \$13.548 million (\$19.261 million in 1999) as follows:
  - (i) funds of \$4.953 million (\$10.291 million in 1999) for the Champlain Bridge rehabilitation; and
  - (ii) funds of \$8.595 million (\$8.97 million in 1999) to acquire real property or to support other major programs, as may be authorized by Treasury Board and Governor in Council.

Details of transactions are highlighted in the following analysis:

	(thousands of dollars)		
	Champlain Bridge	Others	Total
<b>Cash available at beginning of year</b>	<b>\$ 10,291</b>	<b>\$ 8,970</b>	<b>\$ 19,261</b>
Proceeds on disposal	–	3,256	3,256
Acquisition/disposal expenses	–	(422)	(422)
Interest	431	497	928
Acquisitions and improvements	(5,769)	(3,706)	(9,475)
<b>Cash available at end of year</b>	<b>\$ 4,953</b>	<b>\$ 8,595</b>	<b>\$ 13,548</b>

#### 4. TRUST ACCOUNT

The Commission has segregated funds received from an insurance company in respect of a claim for damages arising from injuries sustained in an accident by an NCC employee. These funds have been paid to the Commission as it will be responsible to pay the continuing costs relating to this claim settlement. Future costs were assessed in an actuarial study completed in 1991.

The funds received are managed by an independent investment management firm. Revenues earned on the portfolio of investments remained in the Trust Account and are deferred until expenses are incurred.

As at March 31, 2000, the portfolio's overall rate of return was 1.2 percent (7.3 percent in 1999). All investments were made in accordance with the following strategy: short-term Canadian notes and Treasury bills rated R1 by the Dominion Bond Rating Service and A1+ or A1 by the Canadian Bond Rating Service, Canadian bonds and debentures rated AAA, AA and A by the Dominion Bond Rating Service or A++, A+ and A by the Canadian Bond Rating Service, securities of the Government of Canada or of a provincial government to a maximum of 30 percent of the total market value of the portfolio.

As at March 31, 2000 and 1999, the fair value of the investments was approximately equal to the book value.



## 5. CAPITAL ASSETS

	March 31, 2000 (thousands of dollars)				March 31, 1999 (thousands of dollars)		
	Land	Buildings, Works and Infrastructure	Equipment	Total Cost	Accumulated Amortization	Net Book Value	Net Book Value
<b>Land and Buildings, Works and Infrastructure<sup>1</sup></b>							
Greenbelt	\$ 30,098	\$ 36,136		\$ 66,234	\$ 23,121	\$ 43,113	\$ 34,862
Gatineau Park	19,562	16,195		35,757	8,832	26,925	26,881
Parkways	36,765	104,566		141,331	49,603	91,728	82,423
Parks	27,157	50,840		77,997	23,543	54,454	54,310
Bridges and approaches	1,741	43,768		45,509	20,804	24,705	19,662
Historical properties	158	43,277		43,435	25,315	18,120	16,757
Recreational facilities	17,528	19,767		37,295	10,642	26,653	27,302
Rental properties	44,015	52,129		96,144	23,293	72,851	63,908
Development properties	16,747	5,100		21,847	3,159	18,688	18,476
Unsettled expropriations and land exchanges	3,179			3,179		3,179	4,778
Administrative and service buildings	4,579	19,858		24,437	13,547	10,890	9,950
	<b>201,529</b>	<b>391,636</b>		<b>593,165</b>	<b>201,859</b>	<b>391,306</b>	<b>359,309</b>
Less: Provision for transfers <sup>2</sup>	(1,838)			(1,838)		(1,838)	(1,838)
	<b>199,691</b>	<b>391,636</b>		<b>591,327</b>	<b>201,859</b>	<b>389,468</b>	<b>357,471</b>
<b>Leasehold Improvements</b>		<b>9,334</b>		<b>9,334</b>	<b>2,159</b>	<b>7,175</b>	<b>7,657</b>
<b>Equipment</b>							
Machinery and equipment			8,637	8,637	7,863	774	921
Office furniture and equipment			4,316	4,316	2,952	1,364	1,644
Vehicles			1,016	1,016	569	447	204
Computer and communications equipment			10,528	10,528	9,297	1,231	1,627
Antiques and works of art							
Canadiana Fund			3,620	3,620		3,620	3,129
Other			921	921		921	879
			<b>29,038</b>	<b>29,038</b>	<b>20,681</b>	<b>8,357</b>	<b>8,404</b>
<b>Total</b>	<b>\$199,691</b>	<b>\$400,970</b>	<b>\$ 29,038</b>	<b>\$629,699</b>	<b>\$224,699</b>	<b>\$405,000</b>	<b>\$373,532</b>

1. The total cost of land and buildings, works and infrastructure includes \$23 million of construction in progress.

2. Provision for transfers pertains to property to be transferred in accordance with agreements with the Province of Quebec. This includes lands to be given for the approaches to the Macdonald-Cartier Bridge and to be used as a right-of-way for Highway 550, in exchange for other lands.

## 6. INFORMATION ON THE STATEMENT OF OPERATIONS

### Sector Definitions and Objectives

The Commission uses four sectors to structure its activities. Short-, medium- and long-term objectives linked to the mandate and mission have been developed for each one. The following are the long-term objectives established for each sector:

#### PLANNING THE NATIONAL CAPITAL REGION

To guide the physical development and use of federal lands, to coordinate and achieve excellence in design, and to plan development that is appropriate to the role and significance of the Capital of Canada.

#### PROMOTING AND ANIMATING THE NATIONAL CAPITAL REGION

To increase awareness of the Capital Region outside the National Capital Region through national marketing campaigns, communications contacts (broadcasting) and outreach activities, and to present the Capital to visitors as a place to experience Canadian heritage, culture and achievements through varied services, events and programs.

#### REAL ASSET MANAGEMENT AND DEVELOPMENT

To manage and protect physical assets of national significance on behalf of future generations of Canadians.

#### CORPORATE SERVICES

To promote efficient and productive use of resources through the centralized provision of corporate services to all of the business lines.

SUMMARY OF EXPENSES BY MAJOR CLASSIFICATION	(thousands of dollars)	
	2000	1999
Salaries and employee benefits	\$ 25,420	\$ 24,928
Goods and services	39,400	37,904
Goods and services in kind	850	479
Payments in lieu of municipal taxes	12,069	12,769
Amortization	14,035	14,484
	<b>\$ 91,774</b>	<b>\$ 90,564</b>

## 7. COMMITMENTS

- (a) The Commission has entered into agreements for services, leases of equipment and operating leases for office accommodations. The agreements have different termination dates, with the latest ending in 2020, and total \$151.9 million (\$125.9 million in 1999). The Commission has also privatized the management and maintenance of a portion of its lands and properties as part of the federal government's *Program Review*. Contracts totalling \$15.6 million (\$18.4 million in 1999) have been awarded for these functions; these contracts will terminate in 2004–05.

Minimum annual payments under these agreements for the next five years are approximately as follows:

(thousands of dollars)

2000–01	\$ 15,604
2001–02	\$ 7,539
2002–03	\$ 6,118
2003–04	\$ 6,127
2004–05	\$ 6,211

- (b) The Commission has entered into contracts for capital expenditures of approximately \$30.9 million. Payments under these contracts are expected to be made in 2000–01, 2001–02 and 2002–03.

## 8. CONTINGENCIES

### (a) Claims

Claims have been made against the Commission totalling approximately \$18.9 million (\$17.6 million in 1999), excluding interest and other costs, for alleged damages and other matters. The final outcome of these claims is not determinable and, accordingly, these items are not recorded in the accounts. In the opinion of management, the position of the Commission is defensible. Settlements, if any, resulting from the resolution of these claims will be accounted for in the year in which the liability is determined.

### (b) Environmental Protection

As part of the Environmental Management Framework and the Acquisition and Disposal Program, the Commission has prioritized 1,566 property assets that qualify for environmental assessment. Following a preliminary assessment of 330 of these property assets, more detailed studies were conducted on a number of these properties to determine the degree of remediation required. Based on the detailed studies conducted thus far, the Commission assesses the liability and the contingency for environmental clean-up at \$5.5 million (\$4.6 million in 1999) and at \$44.7 million (\$28.4 million in 1999) respectively. The contingency reflects the suspected costs or potential additional costs associated with situations where it is uncertain whether the Commission is obligated or it is unlikely that the Commission will incur full remediation costs.

## 9. RELATED PARTY TRANSACTIONS

The Commission is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations and is mainly financed by the Parliament of Canada.

In addition to the related party transactions described below, and those disclosed elsewhere in these financial statements, the Commission also enters into transactions with Crown entities. In the normal course of business and on normal trade terms applicable to all individuals and enterprises, the Commission incurred expenses totalling \$8.88 million (\$4.22 million in 1999) for utilities, rental of space, asset and service purchases from other government departments and agencies, and earned revenues totalling \$6 million (\$4.49 million in 1999) from services rendered, rental operations and sales of assets to other government departments and agencies.

## 10. FAIR VALUE OF FINANCIAL INSTRUMENTS

In addition to what has already been described in Notes 3, 4 and 6 relating to this topic, the fair value of accounts receivable and accounts payable and accrued liabilities approximates the book value due to their impending maturity. The fair value of accrued employee termination benefits, unsettled expropriations of property and land exchanges and deferred rent inducement also approximates the book value.

## 11. PAY EQUITY

The Treasury Board Secretariat and the Public Service Alliance of Canada reached an agreement on the implementation of the Canadian Human Rights Tribunal pay equity ruling of July 29, 1998. Although the Commission is now a separate employer, the recent ruling and the joint pay equity agreement between Treasury Board and the Public Service Alliance of Canada applies to employees and former employees of the Commission from March 1985 to January 1, 1994 when the Treasury Board was the employer. Any amounts paid or owing to these employees for that period are the responsibility of the Treasury Board Secretariat. As a result, no amounts have been accrued as an obligation of the Commission. As a separate employer since January 1, 1994, the Commission is not party to this ruling or the agreement between the Treasury Board Secretariat and the Public Service Alliance of Canada. Management is of the opinion that any assessment of the impact of this settlement on the Commission is not determinable at this time.

## 12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.





## APPENDIX I

*Commission as at March 31, 2000*

# APPENDICES



### **The Board of Directors**

**CHAIRPERSON:**

Marcel Beaudry Hull, Quebec

**VICE-CHAIRPERSON:**

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**BOARD MEMBERS:**

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Roland des Groseilliers Ottawa, Ontario

Marc Denhez Kanata, Ontario

François Pichard Hull, Quebec

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Nancy Power Edmonton, Alberta  
(absent from photo)

Marc Letellier Québec, Quebec

Irving Schwartz Sydney, Nova Scotia

Ruth Carol Feldman Winnipeg, Manitoba

Michael E. Kusner Gormley, Ontario

Darlene Mandeville  
Yellowknife, Northwest Territories

Eric Charman Victoria, British Columbia

**Executive Committee**

**CHAIRPERSON:**  
Marcel Beaudry

**VICE-CHAIRPERSON:**  
Heather Chiasson

**MEMBERS:**  
Irving Schwartz  
Nancy Power  
Marc Letellier

**Corporate Audit and Evaluation Committee**

**CHAIRPERSON:**  
Irving Schwartz

**MEMBERS:**  
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Ruth Carol Feldman  
François Pichard  
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**EX OFFICIO MEMBER:**  
Marcel Beaudry

**Compensation Review Committee**

**CHAIRPERSON:**  
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**MEMBERS:**  
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Nancy Power  
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**Advisory Committee on Marketing and Programming**

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Communications  
and New Media  
Toronto, Ontario

**VICE-CHAIRPERSON:**  
Laurier L. LaPierre, O.C.,  
Historian, Writer  
Ottawa, Ontario

**MEMBERS:**  
Virginia Greene,  
Marketing  
Vancouver,  
British Columbia  
Raymond M. Hébert,  
Associate Professor  
Political Science  
Winnipeg, Manitoba

Michel Létourneau,  
Events  
Québec, Québec

**MEMBERS OF THE COMMISSION:**  
Roland des Groseilliers  
Darlene Mandeville

**EX OFFICIO MEMBER:**  
Marcel Beaudry

**Advisory Committee on Planning, Design and Realty**

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Urban Designer  
Vancouver,  
British Columbia

**VICE-CHAIRPERSON:**  
Carolyn Woodland,  
Landscape Architect  
Etobicoke, Ontario

**MEMBERS:**  
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Real Estate Developer  
Mont Tremblant, Quebec

Brian MacKay-Lyons,  
Architect  
Halifax, Nova Scotia

Frank Palermo,  
Urban Planner  
Halifax, Nova Scotia

Lawrence R. Paterson,  
Landscape Architect  
Okotoks, Alberta

Claude Provencher,  
Urban Designer  
Montréal, Quebec

Brigitte Shim, Architect  
Toronto, Ontario

Luc Tittley,  
Urban Planner  
Montréal, Quebec

**MEMBERS OF THE COMMISSION:**  
Marc Letellier

Michael Kusner

**EX OFFICIO MEMBER:**  
Marcel Beaudry

**Advisory Committee on the Official Residences of Canada**

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Aylmer, Quebec

**MEMBERS:**  
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Interior Designer  
Montréal, Quebec

Carol Gault  
Calgary, Alberta

Julia Reitman  
Westmount, Quebec

Jean-François Sauvé  
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**MEMBER OF THE COMMISSION:**  
Eric Charman

**EX OFFICIO MEMBER:**  
Marcel Beaudry

**OBSERVERS:**  
Rennie Marcoux

Paul C. LaBarge

Vassili Sakellarides

## APPENDIX II

### *Sponsors and Partners*

During the 1990s, an NCC priority has been the building of partnerships with the Canadian community, including governments at all levels, businesses, non-profit associations and private individuals. Beginning with a very modest base of support, the NCC has developed active ongoing relationships with some 129 organizations and 93 sponsors. The drive to create vital partnerships will continue into the next century.

#### **The Canadiana Fund**

**CHAIRPERSON:**

Paul C. LaBarge

**VICE-CHAIRPERSON:**

Agnes Benidickson, C.M.

**MEMBERS:**

Marian Bradshaw Jameson

Maurice A. Forget

Ruth Goldbloom, C.M.

Peggy McKercher, C.M.

John C. Perlin, C.V.O.

Barbara Poole

Kathleen Richardson, C.C.

Joan Carlisle-Irving

Willy C. W. J. Eliot, C.M.

Benoit Côté

Florence Deacon

Gerald Pittman

Barbara Ivey, C.M.

**EX OFFICIO MEMBER:**

Marcel Beaudry

**OBSERVER:**

J. André Perrier

#### **NCC Sponsors**

3Com Canada

Air Canada

Albert at Bay Suite Hotel

Andersen Consulting

Barrick Gold Corp.

Bauer

BeaverTails Canada Inc.

Bell Mobility

Best Western Hotel

Jacques Cartier

Best Western

Macies Hotel

BGM Imaging Inc.

Bigg's Deli & Bar

Bistro 115

Blue Cactus Bar & Grill

BM Broadstreet

Marketing Inc.

Boyd Group of Companies

Bravo Bravo

Bar & Ristorante

Buffalo Charlie's II

Bar and Grill

Buffalo Charlie's III

Canada Post Corporation

Canadian Broadcasting

Corporation – Société

Radio-Canada

Capital Hill Hotel

and Suites

Cartier Place & Towers

Suite Hotels

Casino de Hull

Chaplin's III Food

& Drink Emporium

Château Cartier Resort

Château Laurier

Chicken Farmers

of Canada

CHUM Group Radio

Citadel Ottawa Hotel and

Convention Centre

Compaq Canada

Consumer Impact

Marketing

Co-Operators

Darcy McGee's Restaurant

Delta Ottawa

Hotel & Suites

Double Decker's

Diner & Pub

EDS Canada

Embassy Hotel and Suites

Embassy West Hotel

Enbridge Consumers Gas

Excellent Eateries Group

Federal Express

Canada Limited

GE Canada

Hard Rock Cafe

History Television

Holiday Inn Plaza

de La Chaudière

Hull/Ottawa

Honda Canada

Howard Johnson

Hotel – Ottawa

Infield Marketing Group

Keg Restaurants Ltd.

Kodak Canada

Kraft Canada

La Société des Loteries

du Québec – Casino

de Hull

Las Palmas Restaurant

Les Suites Hotel Ottawa

Lone Star Cafe

Lord Elgin Hotel

Maxwell's Bistro & Club

Mayflower Restaurant

& Pub

Mayflower II Restaurant

& Pub

Minto Place Suite Hotel

Molson Breweries

Mouton Cadet Baron

Philippe de Rothschild

Nabisco Ltd. (Ottawa)

Nora Beverages Inc.

Oregano's Pasta Market

Pizza Pizza

Quality Hotel

Ottawa Marriot

Ramada Hotel and Suites

– Ottawa

Ramada Plaza Hôtel

Rideau Centre –

Downtown Rideau

Rogers AT&T Wireless

Royal Bank

Financial Group

Royal Canadian Mint

Sheraton Ottawa Hotel

Southbank

Dodge Chrysler

Spagucci's Little Italy

Restaurant

TELETOON Canada Inc.

The Courtyard Restaurant

The Fish Market

The Marble Works

Restaurant

The Westin Ottawa

Tommy & Lefebvre

Tommy Tango Rhythm

Kitchen Café

Travelodge Hotel –

by Parliament Hill

Travelodge Hotel – West

Tubbs Snowshoe

Company

Tucker's Market

Via Rail Canada

Vittoria Trattoria

Warner Lambert

YTV Canada

**NCC Partners**

- 50th Anniversary of the Universal Declaration of Human Rights Campaign
- 240 Sparks
- American Embassy
- Association of Veterans and Friends of the Mackenzie-Papineau Battalion of Canada
- Association Touristique de l'Outaouais
- Attractions Canada
- Australian High Commission
- Bank of Canada
- By Ward Market Business Improvement Area
- Café Henri Burger
- Canada Agriculture Museum
- Canada Aviation Museum
- Canada Post Corporation
- Canada Science and Technology Museum
- Canadian Broadcasting Corporation – Société Radio-Canada
- Canadian Children's Museum
- Canadian Community Newspaper Association
- Canadian Information Office
- Canadian International Development Agency
- Canadian Museum of Civilization
- Canadian Museum of Contemporary Photography
- Canadian Museum of Nature
- Canadian Mortgage and Housing Corporation
- Canadian Nurses Associations
- Canadian Olympic Association
- Canadian Postal Museum
- Canadian Red Cross
- Canadian Tulip Festival
- Canadian War Museum
- Capital Commission of P.E.I.
- CHUM – Television
- Citizenship and Immigration Canada
- City of Edmonton
- City of Fredericton
- City of Hull
- City of Ottawa
- City of Yellowknife
- Civic Foundation of the Ottawa Hospital
- Christ Church Cathedral
- Connaught Building
- Currency Museum of the Bank of Canada
- Department of Canadian Heritage
- Department of Foreign Affairs and International Trade (DFAIT)
- Department of National Defence
- Earncliffe (British High Commissioner's residence)
- East and West Memorial Buildings
- Elections Canada
- Embassy of Japan
- Environment Canada
- European Union Embassies
- Experience Canada
- Festival Network
- French Embassy
- Friday's Roast Beef House
- Gatineau 55 Inc.
- Global Television
- Government House, Rideau Hall
- Groupaction
- Gosselin Strategic Communications Inc.
- Harley Swedlar (public art donation)
- House of Commons
- Hull Police
- Human Resources Development Canada
- Indian and Northern Affairs Canada
- Industry Canada
- (through a partnership of the Communication Research Centre and The Canadian Space Agency)
- International Development Research Centre
- Jos Montferrand Building
- Kearns Catering
- Kinsmen & Kinettes Club of Canada
- Les Clubs Optimistes de l'Ouest du Québec
- Library of Parliament
- Laurier House
- Laurier Street – Hull
- Lorne Building
- Maison du Tourisme
- Millennium Bureau of Canada
- Ministry of Economic Development, Trade and Tourism
- Ministry of Natural Resources
- National Aboriginal Veterans Association
- National Archives of Canada
- National Arts Centre
- National Capital Balloon Club
- National Gallery of Canada
- National Film Board of Canada
- National Library of Canada
- National Research Council of Canada
- Notre Dame Cathedral Basilica
- OC Transpo
- Office of the Secretary to the Governor General
- Ottawa-Carleton Regional Police
- Ottawa Courthouse
- Ottawa International Airport
- Ottawa Tourism and Convention Authority
- Parks Canada
- Parliamentary Precinct
- PATH Canada
- Place Bell Canada
- Place du Portage
- Provincial Capital Commission of B.C.
- Public Works and Government Services Canada
- Radio-Canada International
- Region of Ottawa-Carleton
- Revenue Canada
- Rick's Multi-Sport Consulting
- Rogers Multi-media Ottawa
- Royal Canadian Legion
- Royal Canadian Mint
- Royal Canadian Mounted Police
- Sarah and Peter Jennings (public art donation)
- Scott Paper
- Senate of Canada
- Société d'histoire de l'Outaouais
- Société de transport de l'Outaouais
- Somersault Promotions
- South African Embassy
- Sparks Street Mall
- St. Andrews Church
- Statistics Canada
- Supreme Court of Canada
- Sussex Capital Inc.
- The British High Commission
- The Famous Five Foundation
- The Weather Network – MétéoMedia
- Tree Canada Foundation
- Turtle Island Tourism Co.
- TV Ontario (TVO/TFO)
- Veterans Affairs Canada
- Wascana Centre Authority
- World Exchange Plaza
- WPBS Television