



National Capital
Commission

Commission
de la capitale nationale

Canada

National Capital

C O M M I S S I O N



Annual Report

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> > > Towards Renewal

National Capital C O M M I S S I O N

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Chairperson's Message

> Preparing for Change



The central concern of the National Capital Commission (NCC) in the past year has been relationships. The end of the 20th century brought with it a recognition that, if the NCC is to be effective in building a Capital for future generations, we need to generate a new level of understanding and support.

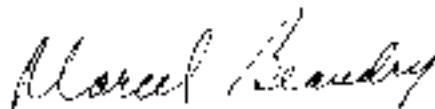
With that in mind, the NCC sponsored a landmark governance study to address the state of our relationships with federal partners, municipal governments and the public. That study gave rise to a set of strong recommendations that are already being implemented and that will continue, throughout the early years of the 21st century, to provide a framework for change.

One important area of change is our relationships with municipalities. Over the years, the NCC has worked creatively in a complex jurisdiction to bring a “Capital” perspective to bear not only on federal lands, but on all lands in the National Capital Region. We are proud of the productive partnerships that have resulted. However, the context is changing. The formation of a new and larger Ottawa has completely altered the political landscape on the Ontario side of the Capital Region, and similar changes are pending in Quebec.

With insight from the governance study, the NCC is already responding to those recommendations. We recognize that local governments and residents have a powerful interest in what happens here, and we have begun consulting with local authorities to bring them more fully into the planning process. To improve links with the public, we have laid the groundwork for regular meetings between board members and the public. We are also refining the consultation process to allow for more public input, and we are making preparations to hold an annual general meeting and to open it to the public.

The NCC has a fine record of achievement behind it, a record that is visible in the shape of unspoiled shorelines, expansive parks, boulevards, monuments and national celebrations. Surveys tell us that the public is overwhelmingly supportive of these accomplishments, and that they appreciate the quality of life that has resulted from over a century of work by the NCC and its predecessors. What is less well understood is the complex, long-term planning effort that lies behind these accomplishments. To show that we recognize the vital importance of communications — two-way communications — we have set up a whole new branch with special responsibility for just this area and created a new corporate website.

Last year marked a dramatic period in the history of the Capital Region. Armed with the new *Plan for Canada's Capital* (1999), the NCC began to work with some of the concepts in that plan in preparation, ultimately, for turning ideas into reality. The decisions taken in the wake of the governance study promise to transform how we work with our partners and to ensure that we will not be working alone.



Marcel Beaudry
Chairperson



The NCC has a national mission — to build a great Capital for all Canadians. At the same time, however, its programs have special meaning for those who live in the region. The NCC expresses its national mandate locally through partnership with the public and through the active, enthusiastic and committed participation of thousands of volunteers.

Celebration 2001!



Celebration 2001!



Marking the International Year of Volunteers

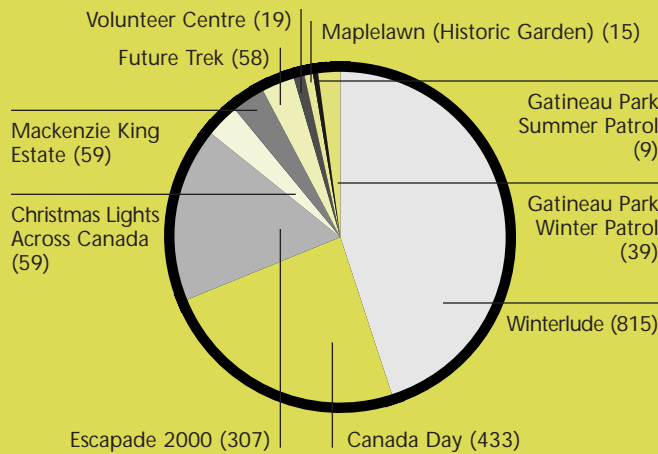
Active Citizenship Volunteerism is a means for Canadians to express their citizenship through action. Just as importantly, volunteers enable the NCC to connect with Canadians and to ensure that important national values — for example, the value of community — are present and alive in today's Capital.

Representing Canada The phenomenon is especially remarkable in that NCC volunteers represent many cultures and are living testimony to the diversity of Canada. They come on board for many reasons, not least because they want to participate in the life of their region and contribute to the quality of life here.

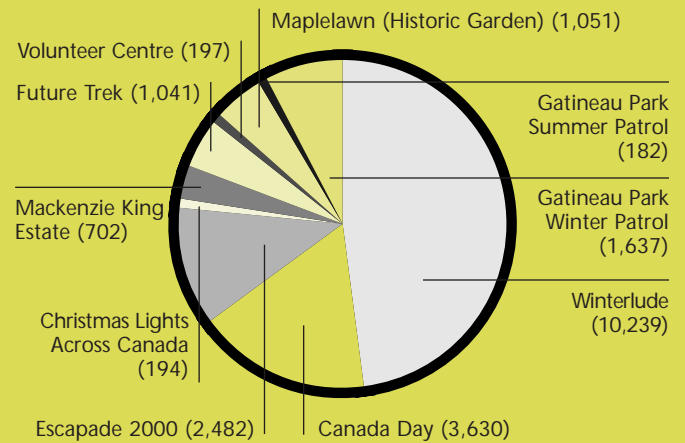
Roots in the Community The NCC's volunteer program dates back to 1979 and reflects the longstanding commitment of local people to their community. With small beginnings, the volunteer program has grown over time into a well-organized, year-round effort delivered out of the NCC Volunteer Centre. For the millennial celebrations, record numbers of volunteers turned out to support the NCC, with some 1,813 participants giving over 21,000 hours of time and effort to the Capital.

Building Relationships In the year 2001 — the United Nations International Year of Volunteers — the NCC has committed itself to recognizing the contribution that volunteers make to its work and to the way of life in the Capital Region. This year-long international celebration offers the NCC a welcome opportunity to honour an important relationship with the Capital community. Volunteers have helped enormously in the task of building the kind of Capital that Canadians want and need. The local community has always been there as a huge resource for the NCC. The challenge of the future is to serve that public, but also to open doors even more widely to the wealth of talent and energy that exists in the Capital community.

What and When? Though the heaviest volunteer turnout comes at two times of the year — on Canada Day and during Winterlude — volunteerism in 2000–2001 ranged widely from season to season and throughout the region.



Number of Volunteers in 2000–2001
(Total: 1,813)



Volunteer Hours in 2000–2001
(Total: 21,355)

Corporate Volunteers: 4 groups, 195 hours

(Corporate volunteers are groups specific to an external organization/department/agency who volunteer their time — for example, they might clean up Gatineau Park in the spring.)



The Year in Review



2000-2001



Programming: Year of Renewal

It was the first year of the new millennium, and the NCC celebrated by bringing hundreds of young people to the Capital Region for a new event called Future Trek. This and other millennial events — for example, Celebrate Canada in the Capitals, a national Capital exchange that saw over a thousand participants — will serve as the foundation for exciting new programming in years to come. Preparations for the opening of the Canada and the World Pavilion, a sparkling new exhibit hall on Confederation Boulevard (which was formally opened at a ribbon-cutting ceremony in 2000), are coming to a close. A colourful new guide to the Boulevard — *A Capital Adventure* — won international plaudits as an introduction to the ceremonial route, past and present.

Planning: Year of Ideas

With the *Plan for Canada's Capital* (PFCC) now in place and widely circulated, the NCC moved on to develop a Core Area Concept as the basis for priority action. The plan includes opening up the shorelines of the Ottawa River to public use and the redevelopment of LeBreton Flats. These and other ideas were taken to the public for discussion last year and won broad approval. Also in the context of the PFCC, the work of updating the *Gatineau Park Master Plan* (1990) was begun. As well, the NCC completed its review of the National Interest Land Mass (1988) to make sure that lands of national interest will be used appropriately and safeguarded for the enjoyment of future generations of Canadians.

Building: Year of Awards

Once again, the NCC won applause for the style and quality of its urban design, with awards from such prestigious organizations as the Ontario Association of Landscape Architects and the Association des architectes paysagistes du Québec. The PFCC set the tone for work in 2000–2001, with the NCC beginning to flesh out development plans for the core area, notably for Sparks Street (one of the Capital's most important heritage streets) and LeBreton Flats, on the edge of the Capital's downtown. The proposed installation of cultural institutions on prominent riverside sites promises to link the Flats strongly to Confederation Boulevard and to create a new symbolic node in the Capital. The central loop of Confederation Boulevard (the part of the new ceremonial route that circles through downtown Ottawa and Hull) opened to great fanfare in 2000. With new long-term funding in place, the NCC began a second phase of rehabilitation for the official residences (six extremely valuable heritage houses in the Capital Region). The rehabilitation of Champlain Bridge — built in 1927 and now one

of five interprovincial bridges in the Region — neared completion. Planning continued on ways and means to develop the Green Capital (especially the shorelines and recreational pathways) as a destination for eco-tourists.

Managing: Year of Relationships

The key achievement of the year 2000 was arguably the governance study, *Enhancing Relations*, which redefines how the NCC will relate to its various constituencies — federal partners, municipal authorities and members of the public alike. Key recommendations of the study include the setting up of a committee to involve local mayors in planning decisions and various suggestions on how to involve the public more effectively. The preparation of a new corporate website constitutes an important step forward in making the NCC more accessible and better known. Also during the year, NCC employees worked together to develop a set of corporate values — respect, well-being and commitment — and to find ways of applying those principles to their daily work.



Financial Performance



Highlights



Table 1
Parliamentary Appropriations

	(in thousands of dollars)		
	2000–2001	1999–2000	Variance
Operating	\$ 40,108	\$ 39,173	\$ 935
Supplementary operating	8,763	869	7,894
Sub-total	48,871	40,042	8,829
Capital	23,751	8,749	15,002
Supplementary capital	10,999	45,350	(34,351)
Sub-total	34,750	54,099	(19,349)
Grants and contributions	13,260	13,260	—
Supplementary grants and contributions	424	—	424
Sub-total	13,684	13,260	424
Total appropriations	\$97,305	\$107,401	\$(10,096)

Parliamentary Appropriations

Parliamentary appropriations for 2000–2001 were \$97.3 million, representing a decrease of \$10.1 million from last year's total of \$107.4 million (Table 1).

In 2000–2001, total operating appropriations increased from the previous year by \$8.8 million to \$48.9 million. The increase is mainly attributable to the impact of the capitalization policy implemented in 1999–2000 (\$6.0 million) as well as permanent allocations received through supplementary estimates for increased salaries and employee benefits (\$2.2 million) and operating requirements for the official residences (\$0.6 million).

Capital appropriations decreased by \$19.3 million to \$34.8 million in 2000–2001. The decrease is largely the result of a one-time supplementary appropriation received in 1999–2000 for the revitalization of Sparks Street (\$40.0 million), partly offset by the repayment last year of a \$15.0 million additional capital cost appropriation received in 1998–1999. This is combined with 2000–2001 increases resulting from a \$6.0 million capital reprofiling from future years and additional funding of \$5.7 million for the rehabilitation of the official residences, net of the impact of the capitalization policy as mentioned previously.

Appropriations for grants and contributions remained stable at \$13.3 million, apart from supplementary estimates of \$0.4 million received to cover the cost impact of the Ontario Tax Reform on NCC-owned properties.

Total appropriations will be \$84.7 million in 2001–2002, including a \$12.6 million allocation for the rehabilitation of the official residences and ongoing appropriations for increased salaries and employee benefits (\$1.6 million). These allocations are partly offset by a \$2.5 million repayment of the \$5.0 million capital reprofiling approved in 1999–2000 (Chart 1).

■ One-time adjustments
■ Parliamentary appropriations

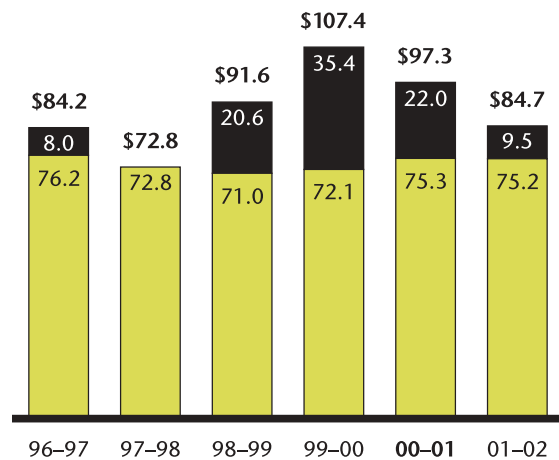


Chart 1
NCC Parliamentary Appropriations
1996–1997 to 2001–2002
(in millions of dollars)

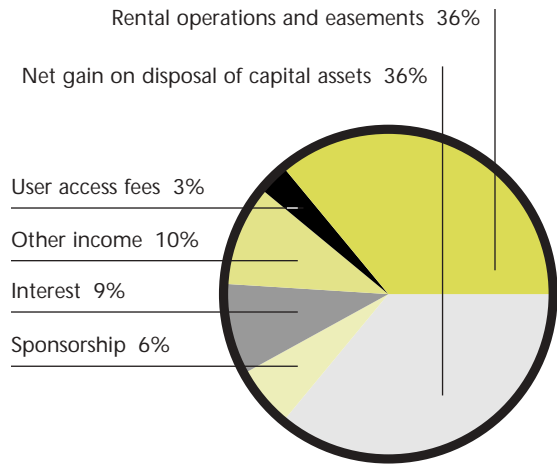


Chart 2
Source of Operating Income 2000–2001

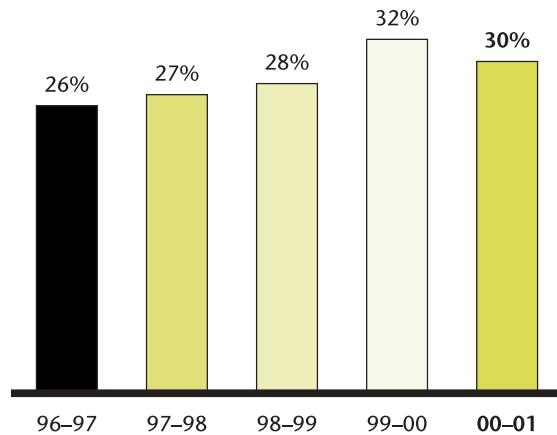


Chart 3
NCC Operating Revenues Relative to Total Funding
(excluding capital appropriations and net gain on disposal of capital assets)

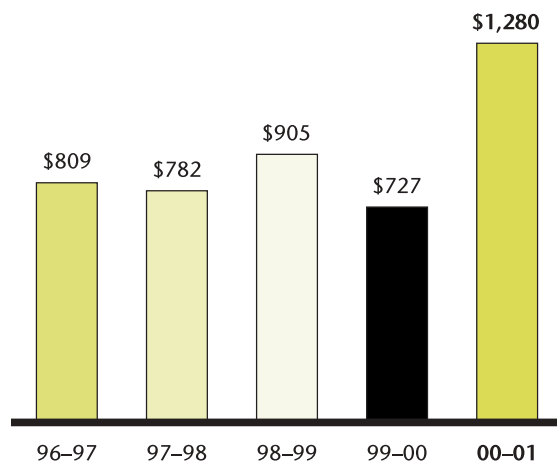


Chart 4
Sponsorship in Cash
(in thousands of dollars)

Operating Income

As shown on the NCC’s Statement of Operations, operating income totalled \$43.0 million in 2000–2001 compared to \$27.4 million in 1999–2000, which represents an increase of \$15.6 million. This is mainly the result of increases in the net gain on disposal of capital assets (\$13.3 million), rental operations revenues (\$1.8 million) and sponsorship revenues (\$0.9 million).

The rental operations revenues increase from last year is directly related to revenue-generating property acquisitions. The increase in sponsorship revenues is largely attributable to new high technology partners and business-to-business alliances for programs such as Winterlude’s Gateway to Australia. Operating income generated from other sources in 2000–2001 was at levels comparable to those of last fiscal year.

As shown in Chart 2, rental operations and easements continue to represent the most significant source of operating income (36 percent this year).

As parliamentary appropriations have tended to stabilize over the years (apart from one-time adjustments), operating income continues to play an important role in helping to offset the NCC’s increased costs of operations. In 1996–1997, operating income (excluding net gain on disposal of capital assets) accounted for approximately 26 percent of the NCC’s total operating funding and, in 2000–2001, this level increased to 30 percent. Chart 3 illustrates the NCC’s sustained efforts over the years to increase revenues.

The NCC also continues its efforts to increase sponsorship income and promote increased partnership contributions and volunteer support. In 2000–2001, as shown in Chart 4, sponsorship in cash for all NCC programs reached a record high of \$1.3 million, an increase of 76 percent over last year, thanks largely to higher partnership contributions for major corporate products, namely Winterlude, Rideau Canal Skateway and Canada Day.

Cost of Operations

As shown on the NCC's Statement of Operations, the total cost of operations for 2000–2001 amounted to \$97.9 million compared to \$91.8 million a year earlier. Goods and services expenditures increased by \$3.2 million, mainly as a result of a \$2.5 million increase in property management contracts and utility expenses (related to Sparks Street and Greenbelt property acquisitions). The variance in salaries and employee benefits is mainly attributable to increased employer's contributions to Pension Plan and salary increases provided for in the new collective agreement.

The NCC's 2000–2001 expenses by category are shown in Chart 5.

Goods and services represent the largest category of expenses (\$42.6 million), followed by salaries and employee benefits (\$28.0 million), amortization (\$14.6 million) and payments in lieu of taxes (\$11.5 million). In the past, salaries and employee benefits was the largest category of expenses; however, this has changed as a result of the NCC'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 2000–2001.

In 2000–2001, the NCC spent \$35.0 million on purchases and improvements to capital assets. Major projects included Champlain Bridge reconstruction (\$14.4 million), the revitalization of Sparks Street (\$5.5 million), the completion of Confederation Boulevard (\$3.7 million) and the rehabilitation of the official residences (\$3.2 million).

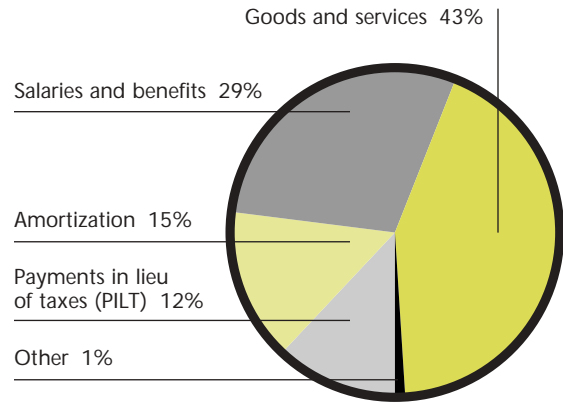


Chart 5
2000–2001 Expenses by Category

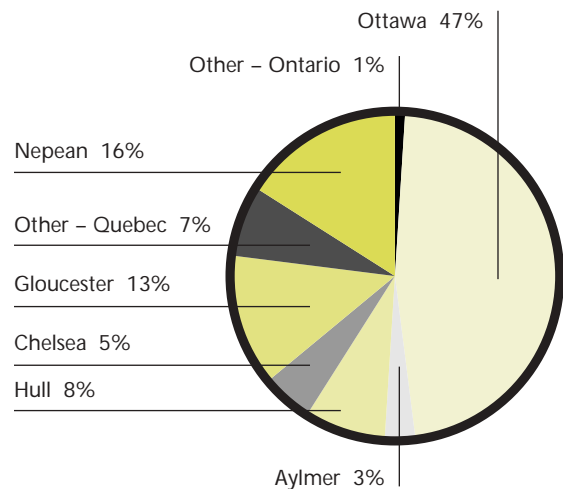


Chart 6
2000–2001 Distribution of Payments
in Lieu of Taxes
(by municipality)

Note: As of January 1, 2001, Gloucester, Nepean, Ottawa and eight other municipalities have been merged to form the new City of Ottawa.



Corporate Performance



Overview



Sector I: Promoting and Animating the Capital

Strategies	Performance Targets	Achievements
Complete implementation of millennial activities and develop a post-millennial plan for high-impact, four-season programming that will give Canada's Capital a higher profile amongst Canadians and on the world stage.	<p>2000–2001</p> <p>Will complete the delivery of special millennial celebrations, including:</p>	<p>Delivered millennial celebrations, with several new or re-oriented events as follows:</p>
	<p><i>Future Trek</i>, a program reaching 500,000 youth, 20,000 “virtual” participants and 400 national youth representatives and involving them in a Capital experience around Canada Day 2000.</p>	<p><i>Future Trek</i> brought 400 young Canadians to the Capital for five days around Canada Day 2000. The recruitment campaign reached over 500,000 people, and there were 80,000 hits on the event website.</p>
	<p><i>Family Exchange Program</i>, involving 1,400 participants and all territorial and provincial capitals in Canada.</p>	<p><i>Celebrate Canada in the Capitals</i> was delivered in all 14 Canadian capitals and with 1,320 participants from across Canada.</p>
	<p><i>Green Capital Event</i>, attracting over 20,000 participants to the Capital's recreational pathways.</p>	<p><i>Escapade 2000</i> was delivered on July 2, with 15,000 people following one of three pathway routes and 28,000 participating in partner activities.</p>
	<p><i>Christmas Lights Across Canada</i>, including special Confederation Boulevard illumination and marketing coordinated with event partners.</p>	<p><i>Christmas Lights Across Canada</i> was permanently extended one week to include the Orthodox Christmas, and 10,000 additional lights were added to the Confederation Boulevard display.</p>
	<p>2000–2001</p> <p>Will develop a post-millennial programming plan.</p>	<p>Finalized a five-year post-millennial programming plan.</p>
	<p>2000–2001</p> <p>Will increase the number of visitors to the Capital Infocentre and Plaza to 350,000 (double the number for 1994–95), thereafter sustaining that number at 325,000 annually.</p>	<p>298,000 people visited the Capital Infocentre (a 9 percent drop from 1999–2000). This decrease in visitation is attributable to the withdrawal of the centennial exhibit, which drew crowds in 1999–2000.</p>
	<p>2001–2002</p> <p>Will complete a set of self-guiding interpretation tools to package the newly constructed Confederation Boulevard as a “discovery” experience.</p>	<p>Published <i>A Capital Adventure</i>, a guide that sold well and won the Gold Pinnacle Award of the International Festivals and Events Association. Prepared a second edition for 2001–2002.</p> <p>Completed research, writing and design on the last three of ten interpretation panels to be installed on Confederation Boulevard by summer 2001.</p> <p>Installed the first of four bronze, 3-D map models on Confederation Boulevard, prototyped in 1999.</p>

Sector I: Promoting and Animating the Capital (*continued*)

Strategies	Performance Targets	Achievements
<p>Complete implementation of millennial activities and develop a post-millennial plan for high-impact, four-season programming that will give Canada's Capital a higher profile amongst Canadians and on the world stage.</p>	<p>2001–2002 Will review and update its commemoration policies and processes.</p>	<p>Worked with Public Works and Government Services Canada on a new policy for commemoration themes and processes on Parliament Hill.</p> <hr/> <p>Prepared, with commemoration donors, to unveil four monuments in 2001, honouring Aboriginal War Veterans, Humanitarian Aid, the Mackenzie-Papineau Battalion and Maurice Richard.</p> <hr/> <p>Worked with the Royal Canadian Legion and Veterans Affairs on a War Memorial Interpretation project.</p>
	<p>2000–2001 In August 2000, the NCC, together with its partners and sponsors, will open the Canada and the World Pavilion at Rideau Falls Park.</p>	<p>The opening of the Canada and the World Pavilion was rescheduled for May 9, 2001 due to construction-related delays.</p>
	<p>2001–2002 120,000 people will visit the Pavilion (April to October). That number will increase annually by 5 percent during the remainder of the planning period.</p>	<p>By the end of 2000–2001, 65 groups had already booked tours of the new Pavilion.</p>
	<p>2000–2001 Will organize a Gateway to Australia event as the international component of Winterlude 2001.</p>	<p>A Gateway to Australia event was delivered as part of Winterlude 2001, with some 25,000 people gathering at Ottawa City Hall to watch Australian ice-carvers at work.</p>
	<p>2001–2002 Will participate in the International Year of Volunteers and in the IV Games of la Francophonie.</p>	<p>The Volunteer Centre planned a year-long program of recognition activities and launched this program during Winterlude 2001.</p> <hr/> <p>Worked with the Organizing Committee of the IV Games of la Francophonie to position the NCC's Capital Infocentre as a destination and as a key source of information during the event.</p>
	<p>2005 Will host the annual meeting of the International Festivals and Events Association (IFEA) in the Capital.</p>	<p>IFEA confirmed that the 2006 annual general meeting will be held in Canada's Capital.</p>

Sector I: Promoting and Animating the Capital *(continued)*

Strategies	Performance Targets	Achievements
Solicit the continued and increased buy-in of partners and large high-profile sponsors to integrated Capital programming and marketing.	<p>2000–2001 to 2002–2003</p> <p>Will maintain the level of sponsorship revenues at the 1999–2000 level of \$1.4 million (including services).</p>	Sponsorship revenues totalled \$2.65 million (\$1.19 million in goods and services) due to record sponsorship levels for Winterlude and the Rideau Canal Skateway.
	<p>2001–2002</p> <p>Will develop a national and international database and network of partners and collaborators.</p>	Established new partnerships with the Ottawa Centre for Research and Innovation, Ontario Exports and others for Winterlude's Gateway to Australia program.
	<p>2004–2005</p> <p>Will renew and expand its partnerships for Canada and the World Pavilion.</p>	Long-term target.
Reach potential audiences through targeted marketing, outreach and promotion activities.	<p>2000–2001</p> <p>Will increase participation in the Celebrate Canada in the Capitals program to include Canada's 10 provincial and three territorial capital cities.</p>	All Canadian capital cities participated in the 2000–2001 program.
	<p>2000–2001</p> <p>Will develop an adapted, sustainable post-millennial exchange program with its partners and sponsors.</p>	CCCO approved a revised format for Celebrate Canada in the Capitals, the next version being postponed to 2002 to allow for development of a new format and to secure new partners.

Sector II: Planning the National Capital Region (NCR)

Strategies	Performance Targets	Achievements
Position the <i>Plan for Canada's Capital</i> as the overriding vision for the future development of Canada's Capital and as the framework for the completion of various supporting plans.	2000–2001 Will broadly distribute, communicate and garner support for the <i>Plan for Canada's Capital</i> .	Completed the <i>Plan for Canada's Capital</i> and prepared to circulate and promote it.
	2000–2001 Will complete and secure approval for a development strategy for LeBreton Flats.	Worked with the Department of Canadian Heritage on a development strategy for LeBreton Flats as part of a renewal of the cultural Capital. Approval is pending.
	2006–2007 Will finalize the Urban Lands Master Plan, with the following elements: 2000–2001 Core Area Sector Plan	Completed public and partner consultation on the concept and began drafting the Core Area Sector Plan.
		Compiled Geographic Information System data for the Islands Area Sector Plan and began due diligence studies of ecology, property, transportation and utilities. Initiated intergovernmental discussions on heritage and interpretation opportunities.
	2001–2002 Site-specific planning, design and development of projects in the Core Area	Long-term target.
	2003–2004 Eastern Area Sector Plan	Long-term target.
	2004–2005 Western Area Sector Plan	Long-term target.
	2005–2006 Southern Area Sector Plan	Long-term target.
Participate in studies led by the Region of Ottawa-Carleton and the Communauté urbaine de l'Outaouais to deal with interprovincial transportation issues in the National Capital Region.	2002–2003 Will update the <i>Gatineau Park Master Plan</i> .	Began to review the <i>Gatineau Park Master Plan</i> .
		Completed a traffic impact study and an environmental assessment for the proposed extension of the McConnell-Laramée Boulevard into Gatineau Park.
		Completed the <i>Gatineau Park Parkway Sector Plan</i> and summary.
	2000–2001 Will work with partners to realize a joint environmental assessment study on the location and effects of future interprovincial bridges and a regional ring road system. Will work towards the establishment of an interprovincial transportation authority.	Environmental assessment has been delayed to 2001–2002 pending further consultation with the municipalities.
	2001–2002 Will contribute to a joint planning study for an interprovincial rapid transit facility.	Initiated the joint regional and interprovincial rapid transit study.

Sector II: Planning the National Capital Region (*continued*)

Strategies	Performance Targets	Achievements
Participate in studies led by the Region of Ottawa-Carleton and the Communauté urbaine de l'Outaouais to deal with interprovincial transportation issues in the National Capital Region.	2003–2004 Will examine private- and public-sector financing opportunities for new inter-provincial bridges in the region.	Long-term target.
Implement federal plans, legislation and policies and safeguard and enhance the National Capital Region's built and natural environment through the Federal Land Use, Design and Transactions Approvals process.	2000–2004 Will review for approval approximately 300 land use, design and land transaction submissions a year, dealing with most (except for major projects) in 20 to 25 working days.	Reviewed 140 land use/transaction submissions and granted 102 approvals. Reviewed 135 federal design applications, including 28 major projects, and granted 60 approvals.
	2003–2004 Will complete a policy for and identification of key cultural landscapes in the region.	Long-term target.
	2003–2004 Will complete <i>Phase I</i> Environmental Site Assessments (ESAs) on all its high- and medium-priority sites (over 600 property assets);	Initiated and partially completed 68 Phase I ESAs for high- and medium-priority sites.
	Will complete <i>Phase II</i> ESAs, plus risk assessment/management, clean-up and monitoring, as appropriate, on sites with a high risk of impact on human health.	Initiated and completed 19 Phase II ESAs and one risk assessment (Leamy Lake). Completed four clean-ups.
	Will perform ESAs on all transaction properties.	In preparation for acquisition or disposals transactions, undertook various investigations and studies as well as: <ul style="list-style-type: none"> • 27 Phase I ESAS • 8 Phase II ESAs.
	2003–2004 Will perform environmental impact assessments for all NCC projects, developments and transactions and, in compliance with a 1990 Cabinet directive, strategic assessments of all plans.	Performed 54 Strategic Environmental Assessments for projects launched under the NCC's Multi-Year Capital Construction Program (MYCCP); and 74 Environmental Assessments for external projects reviewed under the federal land use approvals process.

Sector III: Real Asset Management and Development

Strategies	Performance Targets	Achievements
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.	Will prepare and implement the following land management plans: 2001–2002 Core Area	Work is ongoing as per Core Area Sector Plan schedule.
	2003–2004 Gatineau Park	Long-term target.
	2004–2005 Eastern Area	Long-term target.
	2005–2006 Western Area	Long-term target.
	2000–2001 Will identify user requirements for the Integrated Asset Management Information System.	Developed a new work plan, revised the project management structure and began to review user requirements according to Life Cycle Management.
	2000–2001 Will enter into a new contract for the provision of property management and leasing services for its leasing portfolio.	Entered into a new multi-year property management contract for all NCC-leased properties.
	2001–2002 Will put a new land maintenance contract in place for the Core Area.	Multi-year contracts were awarded and a transition plan implemented.
	2000–2001 Will achieve \$9.35 million in revenues from leasing activities.	Achieved revenues of \$12.42 million (a 25 percent increase over target) as a result of low vacancy rates and the acquisition of new properties.
	2000–2001 Will achieve \$588,000 from easements and licences of occupation revenues.	Achieved revenues of \$601,991.
	2000–2001 As part of an exchange, will propose transfer to the City of Hull of maintenance and rehabilitation costs for some roadways and parks in the province of Quebec.	Entered into a Memorandum of Understanding with the City of Hull; awaiting final approvals.
	2000–2005 Will achieve land disposal revenues of \$6.0 million a year and development revenues of \$8.0 million (\$4.3 million for 2000–2001).	Achieved land disposal revenues of \$18,995,595 as a result of the closing of three large sales. Did not achieve targeted development revenues due to delays in planned initiatives.
	2000–2001 Will deliver the MYCCP, including the implementation of capital projects for the official residences in accordance with funds allocated by Treasury Board.	Completed several capital projects as planned (e.g., Rideau Cottage restoration). Developed a revised work plan for 2001–2002 and adjusted timing accordingly.
	2001–2002 Will complete rehabilitation of Champlain Bridge.	The Champlain Bridge project is 60 percent completed and on target for a 2001–2002 opening.

Sector III: Real Asset Management and Development (*continued*)

Strategies	Performance Targets	Achievements
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.	Will prepare and implement the following regulations to ensure the protection and management of NCC lands: 2000–2001 Will implement a public education process regarding its new Animal Control Regulations and will work with municipalities to develop agreements for dog run facilities on NCC land.	Delayed completion in order to extend consultation with special interest groups over outstanding issues, particularly off-leash dog areas.
	2001–2002 Will implement Traffic Regulations.	Preliminary analysis delayed due to other corporate priorities.
	2002–2003 Will implement Property Regulations.	Long-term target.
	2000–2005 Will expand the Environmental Action Plan (e.g., monitoring and acquisition of eco-sensitive lands) within the Environmental Management Framework to ensure a strong and comprehensive approach to environmental management.	Developed an environmental management strategy, including a vision statement and guiding principles.
	2001–2002 Will provide venues and infrastructure support for the IV Games of la Francophonie.	Negotiated an agreement with Games organizers for NCC lands and parks.
Manage an appropriate range of park services and outdoor recreational facilities to enable visitors to enjoy a Green Capital experience and to support the promotion and animation of the National Capital Region.	2000–2001 Will complete Module II of the Green Capital/Visitor Survey to provide information on visitor participation in and expectations of outdoor recreation at key areas in Gatineau Park and the Greenbelt. Will take action during the planning period based on the results of this survey.	Virtually completed Module II (April 2001).
	2000–2001 Will develop an implementation plan for the Green Capital strategy.	Prepared a draft messaging framework for the Green Capital, identified major products and prepared a five-year strategic plan for the Rideau Canal Skateway.
	2001–2005 Will take action on the basis of the Green Capital strategy.	Long-term target.

Sector III: Real Asset Management and Development (*continued*)

Strategies	Performance Targets	Achievements
Fulfil the role of "Capital builder" through the revitalization of the Core Area of the Capital.	2000–2001 Will complete construction of Confederation Boulevard.	Completed construction of the central loop of Confederation Boulevard.
	2002–2003 Will implement the LeBreton Flats development strategy through partnerships with the public and private sector.	Completed a realty analysis and development strategy study. Initiated a traffic/transportation study.
	2000–2001 Will complete construction of the Canada and the World Pavilion.	Construction neared completion in preparation for the re-scheduled opening on May 9, 2001.
	2000–2001 Will negotiate the acquisition of properties in the block bounded by Metcalfe, Sparks, O'Connor and Queen streets.	Acquired certain properties in the block; negotiations are continuing for further potential acquisitions.
	2000–2001 Will conduct research to develop a request for funding for work under the <i>Plan for Canada's Capital</i> .	Developed costing scenarios for specific projects under the Core Area Concept.
Develop the recreational pathway network and associated services as a key component of the Green Capital strategy.	2001–2002 Will develop a program plan for recreational pathways as a main component of the Green Capital strategy.	Completed a research study on recreational pathways, including user profiles. <hr/> Developed a draft strategic plan, including mission statement, objectives and strategies.
	2001–2002 Working with partners, will complete missing links in the recreational pathway system; will create new links to the Trans Canada Trail System and new destination points.	Completed links that were planned for the Greenbelt, Urban Lands and Gatineau Park. Developed a five-year upgrade plan for the recreational pathway network.
Manage payments in lieu of taxes (PILT) by the NCC.	2000–2001 Will make payments estimated at \$13.8 million.	PILT paid amounted to \$11.6 million due to late and inconsistent billing by taxing authorities.

Sector IV: Corporate Services

Strategies	Performance Targets	Achievements
Take steps to rebuild the NCC's human resources foundation to promote a committed and motivated workforce; and develop and implement an action plan during the planning period.	Will expend the following resources on training and development: 2000–2001 2.7 percent of base salaries for an average of 30 hours per employee	Dedicated 2.2 percent of base salary expenditures to training (an average of 21.3 hours per employee), showing progress towards the achievement of targets.
	2001–2002 3 percent of base salaries for an average of 37 hours per employee	Long-term target.
	2000–2001 Will: • implement Phase I (Directors) of its Succession Management Plan;	Seven directors participated in the program, and assessments were completed.
	• complete a comprehensive review of corporate values and ethical behaviours and develop a plan to reinforce these values; and	All NCC management and employees had the opportunity to participate in a comprehensive review. A Joint Core Group of employees, union representatives and managers finalized a values document.
	• review its job evaluation system and update the classification system.	Review of the job evaluation system neared completion; updates to the classification system to be undertaken in 2001–2002.
	2001–2002 Will implement Phase II (Managers and Key Positions) of the Succession Management Plan.	Long-term target.
	2001–2002 Will initiate and complete the next round of collective bargaining.	Preparations for the collective bargaining process initiated.
Exploit information technologies that provide a strategic advantage for the corporation and facilitate effective and efficient management.	2000–2001 Will create a corporate website.	Developed content for the corporate website. Focus tested the site design and modified the approach in light of feedback received. Launch planned for early 2001–2002.
		Delivered a renewed Canada's Capital website on schedule and within budget in June 2000.
	2001–2002 Will implement interactive elements of the corporate website.	Long-term target.
	2001–2002 Will implement an Integrated Asset Management Information System.	Enhanced functionality of system and upgraded asset reporting.
	2000–2001 Will carry out a pilot project for electronic document management (EDM), including an intranet component, and will make recommendations for subsequent phases.	Successfully implemented the EDM pilot project. Project continuing as a pilot pending future approvals and funding.

Sector IV: Corporate Services (*continued*)

Strategies	Performance Targets	Achievements
Exploit information technologies that provide a strategic advantage for the corporation and facilitate effective and efficient management.	2003–2004 Will put in place the federal government's supported security encryption infrastructure.	Long-term target.
Ensure that revenue generation activities allow for public access to federal lands while generating appropriate sustaining revenues.	2000–2001 Will develop a revised corporate-wide revenue generation policy and strategy and will apply it during the planning period.	Deferred to 2001–2002. Transferred responsibility for merchandising and sponsorships and for developing a revised policy to the new Communications, Marketing and External Relations Branch.
Implement measures to increase the public's awareness and appreciation of the NCC's achievements and activities.	2000–2001 Will develop and implement a communications plan aimed at increasing the public's awareness of and support for the NCC and its activities.	Approved the recommendations of the governance study and undertook various initiatives to improve communications (e.g., planning the first annual general meeting).
	2000–2001 Will consult its employees to develop and implement a plan for improved internal communications.	Implemented a number of initiatives to improve internal communications including the use of all-staff meetings, press release distribution and an internal e-mail feedback mechanism.
	2001–2002 Will achieve and measure improvement in the public's awareness of and support for the NCC.	Planned two public opinion surveys for 2001–2002.
Conduct strategic and tactical research to inform decision-making for the purposes of strategic planning and to support concept testing for new programs, services, products and the assessment of program effectiveness.	2000–2003 Will achieve accurate, timely and relevant results from studies conducted under the Corporate Research Plan.	This target was met. Research projects were completed for several major programming activities, Green Capital activities and visitor services. Studies were completed for the following, among others: the NCC's Call Centre, the Capital Quiz program, corporate website usability testing, destination marketing, Escapade 2000, the Federal Employment Survey, Future Trek, NCC corporate positioning, the seniors market research study, the sound and light program, the Green Capital visitor study (Module II), and tourism in Canada's Capital Region.
Strengthen the federal presence throughout NCC activities, published materials, programs and properties.	2000–2005 Will incorporate federal recognition in all printed materials and, through the life cycle management process, on signage and other physical assets.	Vehicle signage was redesigned and will be displayed on new vehicles as they are acquired. Federal identity is incorporated into all printed materials.





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 more than a century of evolution, Canada's Capital has gradually grown from a wilderness outpost into a 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 business. What distinguishes it from private-sector enterprises, however, is its public policy purpose — that is, to build a capital that will represent Canadians and make them proud of their country and heritage.



Frederick Todd, Canada's first resident landscape architect

1899–1927

Ottawa Improvement Commission

At the end of the 19th century, Canada was growing in strength, prosperity and independence, but its capital remained for the most part a small industrial town. In 1899, Parliament began the process of change 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 (planned as the first part of a ceremonial drive from Rideau Hall to Parliament Hill), and several new, landscaped 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, which built on Todd's concept of a regional system of parks and parkways and was 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.



The Gréber Plan



Railway tracks along the Rideau Canal

1927–1959

The Federal District Commission

In 1927, a buoyant Canada celebrated 60 years of nationhood, and the government looked for a way to express the national significance of the Capital. It established the first National Capital Region (half the size of today's region), encompassing land on both sides of the Ottawa River, 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 city that would function smoothly and, at the same time, work as an inspiring Capital. It was that concept that gave rise to a new organization and a new era in Capital building.



The National War Memorial,
Confederation Square

1959–

National Capital Commission

In the post-war years, there was a new sense of the Capital as Canada's symbolic heart. The *National Capital Act* of 1958 doubled the size of the National Capital Region (NCR), 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 (NCC) as the agency responsible 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, 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. It also 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 also received a boost 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 Region.

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 winter 1970–71, the NCC made history by transforming the frozen Rideau Canal into the world's longest skating rink.



The Canadian Museum of Civilization

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 issued the third plan in the series, the *Plan for Canada's Capital*. A direct descendant 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 a symbolic homeland and gathering place for Canadians.

Legislation

The Parliament of Canada created the NCC through the *National Capital Act* of 1958 (amended in 1988) to:

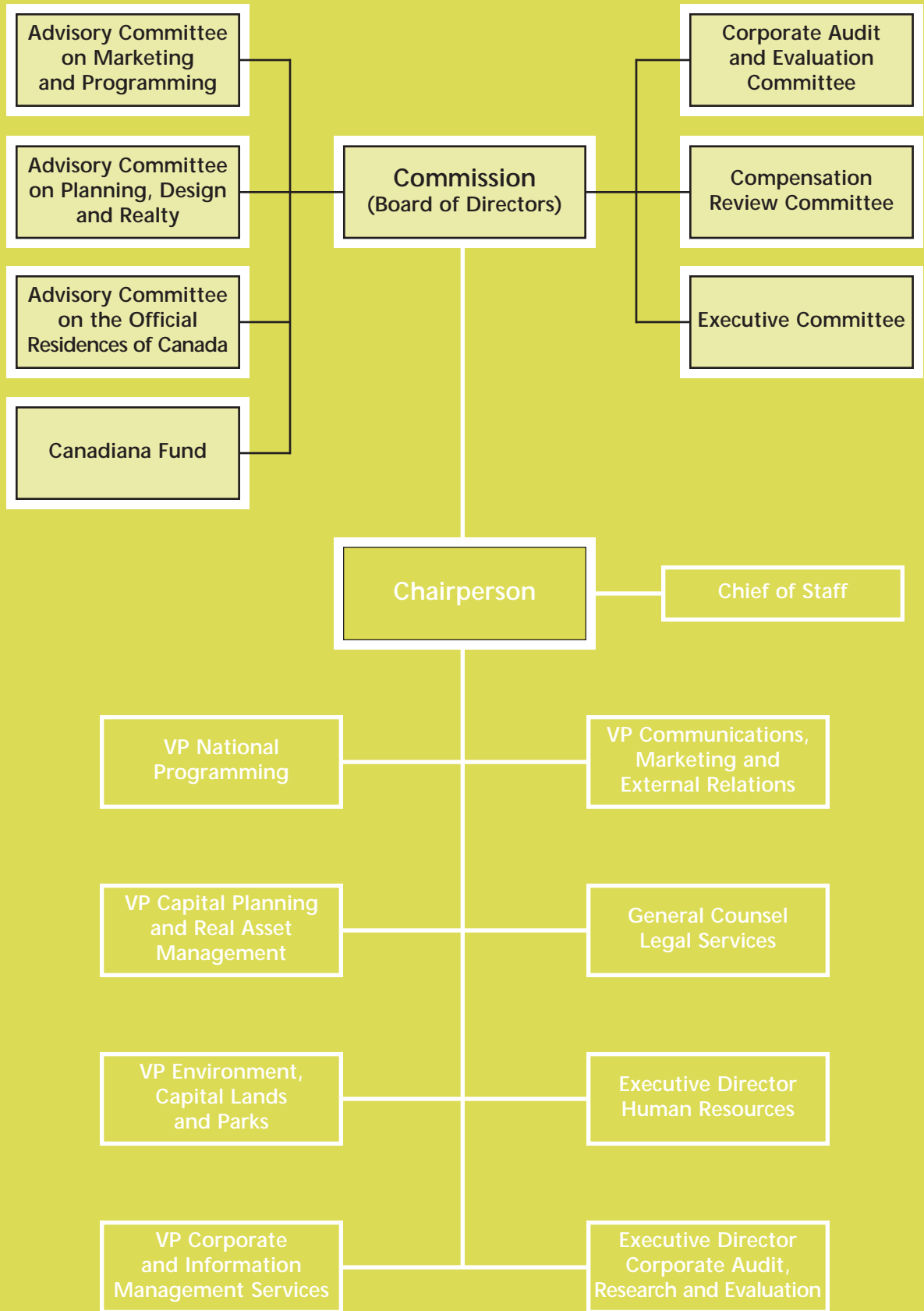
Prepare plans for and assist in the development, conservation and improvement of the National Capital Region (NCR) in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance; and

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.

Structure of the National Capital Commission



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 corporation 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.

Governance

Though the NCC's activities focus geographically on the National Capital Region, the corporation 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 corporation 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 through the NCC's board and committees, which bring together people from a wide range of professional and regional backgrounds, both from the Capital Region and from across Canada.

The Commission

The Commission (board of directors) governs the NCC and reports to Parliament through the Minister of Canadian Heritage. The board of directors is composed of the Chairperson, Vice-Chairperson and 13 other members appointed by Order in Council. In order to ensure national representation, the board must include five representatives from the NCR and eight from across the country. The board of directors, which meets quarterly, is responsible for: 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. *(For a list of current board members, please see Appendix I.)*



The Commission

Corporate Committees

EXECUTIVE COMMITTEE Guides the board of directors 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 board of directors.

COMPENSATION REVIEW COMMITTEE Reviews the performance, remuneration and benefits granted to full-time governor-in-council appointments, such as the Chairperson.

(For a list of members by Committee, please see Appendix I.)

EXECUTIVE MANAGEMENT COMMITTEE The Chairperson and the senior management team meet weekly to approve submissions related to the daily operations of the NCC.

Corporate Governance Guidelines

In 1996, Treasury Board and the Department of Finance published *Corporate Governance in Crown Corporations and Other Public Enterprises*. Most of the provisions had already been addressed at the NCC, including the establishment of a clear and effective working relationship between the board and senior management and a strong orientation program for directors. In addition, the NCC periodically reviews the role of the board in relation to the corporation's mandate and it involves the board in the strategic planning process. The results of the annual strategic retreat are discussed with the board, and their collective wisdom is captured in the annual corporate plan. The board approves the corporate plan and the annual report before they are submitted to the minister. Corporate performance is regularly communicated to the board. Period review reports are submitted to the board three times a year so that variances between targets and achievements can be monitored. 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.



The Executive Management Committee

Board Orientation

New members are welcomed with a presentation on the accountability and reporting structures of the NCC and a review of governance by-laws. Then they are taken on a tour of operations, including meetings with all of the senior management team 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's General Legal Counsel to discuss roles and responsibilities, ethics and conflict of interest.

Independence

Members of the board of directors act honestly, diligently, carefully and in good faith in accordance with the requirements of the *Financial Administration Act*. In particular, the board 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.

Board and Management Relations

The board of directors has always maintained a close connection with management of the corporation. Each board meeting starts with a briefing by the Chairperson on current issues and projects, followed by questions and discussion.

Enhancing Relations



The board of directors did its work well

in 2000. With municipal and regional reform slated to come into effect in Ottawa on January 1, 2001, the board called for a fresh look at the nature of relationships between the NCC and other players in the Capital Region. The independent review they set in motion gave rise to a report called *Enhancing Relations*. This landmark report, which deals with both public and official relationships, as well as the NCC's structure and the role of the board itself, promises to have a fundamental impact on the way the NCC works in the future. Many of its recommendations have already found a place in the structure and processes of the corporation.



Major's Hill Park

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 Compensation Review Committee reviews the performance, remuneration and benefits granted to full-time governor-in-council appointments. Unlike the members of most boards, members of the NCC's board do not receive a *per diem* remuneration for regular board meetings, but they are compensated for their work on various committees.

Advisory Committees

The NCC 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 THE OFFICIAL RESIDENCES OF CANADA Advises on maintenance and operational issues related to the six official residences in the NCR.

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 members by committee, please see Appendix I.)



PHOTO BY TOM EVANS

Kingsmere, 2000, by Philip Craig — 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 and preserving infrastructure (the business of the NCC) and using it (the mission of the NCC).



Sunday Bikedays

Sector I: Promoting and Animating the National Capital Region

OBJECTIVE To increase awareness of the NCR 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, Winterlude, etc.); interpretation programs (Capital Infocentre, Confederation Boulevard, Canada and the World Pavilion, Mackenzie King Estate, etc.); youth programs (Future Trek, Adventure in Citizenship, Capital Quiz, etc.); and marketing and outreach (provincial/territorial linkages, the “canadacapital.gc.ca” website, cooperative marketing campaigns, guidebooks, etc.).



The Capital Infocentre

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 NCR 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.



The Peacekeeping Monument, *Reconciliation*

Sector IV: Corporate Services

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

With the deficit under control in 2000, the federal government committed itself to reducing the debt and, at the same time, cutting taxes. It also began to invest in the health infrastructure and social fabric of Canada, focusing on programs to support child welfare and provide young Canadians with opportunities to learn, to improve their literacy and to “connect” with the Canadian experience through exchanges and volunteer work. The government will also invest in the recruitment, retention and continuous learning of a skilled federal workforce and will develop the civil service as a model user of information technology. With the environment of increasing concern to Canadians — 83 percent in a recent survey said preventative measures can and should be taken — the government has committed to emphasizing sustainable development in decision-making.

Heritage Portfolio

With the diversity of the Canadian population increasing, the Department of Canadian Heritage and its portfolio of agencies — including the NCC — will focus strongly on the creation of links between Canadians. For example, 1,000 institutions across Canada will be linked by Internet, with online collections, to become part of an enormous virtual museum. The government is also supporting initiatives to tell the Canadian story in print, theatre, film, music and video.

Economy

Interest rates have declined over the past two years and are continuing to decline. Inflation remained in the 1.3 to 1.6 percent range, and the economy expanded, with the gross domestic product surpassing the trillion dollar mark for the first time. In May 2000, unemployment, at 6.6 percent, reached its lowest levels since April 1976. Consumer spending strengthened by a solid 3.4 percent in 2000, as did the Canadian dollar (rising from 65 cents on the American dollar in 1998 to more than 67 cents in the final part of 2000).

Society

Older people continue to represent an increasing proportion of Canada’s population (currently numbered at just over 30 million). The population is also increasing in diversity, with 11.2 percent of Canadians now belonging to visible minorities (compared to 9.4 percent in 1991); 60 percent of these were born outside of Canada. Almost one in three Canadians is an active volunteer, with the contribution of young Canadians doubling between 1987 and 1997 (from 18 to 33 percent). Young Canadians with post-secondary education are finding it easier to find work than in the 1990s, and many are returning to school to improve their skills. The number of Canadians who indulge in leisure activities has also increased, with more Canadians turning out to enjoy walking (an activity preferred by women) and bicycling and jogging (activities preferred by men). Reality TV and “webcasting” are just two of the most recent communication trends.





Performance Evaluation



The Year in Review



Strategic Issues

A Capital Vision

The *Plan for Canada's Capital* (1999) lays out the vision of a lively, integrated and highly symbolic Capital, and it will act as the cornerstone of all work over the next 50 years. Armed with this plan, the NCC is poised now to move on to the next phase of Capital building, with a particular focus on revitalizing the downtown core and opening up public access to the beautiful shores of the Ottawa River. However, the NCC's ability to carry out its plans will depend on the availability of funding in years to come.

Eyes on the Future

After several years of focusing on the new millennium, the NCC is ready to refocus programming for the longer term. Some of the new events developed for the year 2000 may be retained or adapted. However, programming in the future must respond to emerging trends — eco-tourism, for example. In this respect, the Capital Region, with its splendid parks and green spaces, shows great promise.

A "Natural" Leader

As steward of the Capital, the NCC plays a leadership role in managing natural lands in the region. The *Plan for Canada's Capital* gives prominence to the green Capital and proposes a number of initiatives to enhance the shorelines and natural areas as public spaces. These must be protected and enhanced at the same time that they are opened to more public use and enjoyment.

Means of Support

For the last 10 years, the NCC has striven to limit its dependence on the public purse through a variety of revenue generation programs. Some of these have given rise to considerable public debate and, with changing circumstances, others may be outdated. The NCC recognizes the need to review its policies on revenue generation to ensure their applicability in today's environment.

State-of-the-Art Accessibility

More and more Canadians are connected via the Internet. "Connecting Canadians," a strategy of the Department of Canadian Heritage, promotes the creative use of technology to reach diverse communities (especially youth). The NCC, which has considerable experience in reaching out to youth and other Canadians through its Capital website, recognizes the web as a means to promote corporate accessibility.

Sector I: Promoting and Animating Canada's Capital Region

Objective

To foster Canadian pride and contribute to an awareness and understanding of, and participation in, Canada's Capital and its Region.



Future Trek 2000

Marking the Turn of the Millennium

The NCC geared up to meet the new millennium with a series of new and re-oriented events, some of which will be repeated or adapted for the future. On Parliament Hill the festivities kicked off on January 1, 2000 with fireworks on Parliament Hill and continued all year long. Celebrate Canada in the Capitals, descendent of a small-scale national contest that was begun to bring Canadian families to the Capital Region in 1995, has now expanded into a truly national exchange, with 1,320 participants travelling among Canada's 14 capital cities. Escapade 2000 brought more than 40 organizations together to organize an outdoor event on the Capital's recreational pathways. Despite uncertain weather, 15,000 people followed one of three routes (on bicycles, on in-line skates or on foot), and 28,000 people turned out to take part in activities organized by NCC partners. With participants reporting a high level of satisfaction (93 percent were pleased with the event), Escapade 2000 may be refined and adapted for the future as a Green Capital product. Christmas Lights Across Canada was extended for one more week this year to encompass the Orthodox Christmas, and an additional 10,000 lights were added to the Confederation Boulevard display. Future Trek brought 400 young Canadians — 18 to 24 years of age — to the Capital Region to celebrate Canada for five days on and around Canada Day. During the recruitment phase, the program reached 500,000 Canadians, and the website logged 80,000 hits.



Escapade 2000 kick-off



Christmas lights on Parliament Hill

Over the Horizon

What's next, now that the millennial celebrations are over? After years of focusing on the turn of the millennium, the NCC began to shift gears and to look beyond the 2000 horizon. To that end, the NCC finalized the Five-Year Post-Millennium Programming Plan. The plan is based on the development and promotion of clusters of events with shared themes, sites or schedules. Several successful events of the millennial year are — or are slated to become — part of the annual line-up of events. Future Trek is coming back with some adaptations, as part of a millennial legacy in the Capital Region. Celebrate Canada in the Capitals will be back in 2002 — allowing time to attract new partners and participants, especially young Canadians and their families. The expanded cross-country format will be continued with the support of municipal, provincial and territorial governments.

Celebrating Canada's Spirit, Heart and Mind There is a new landmark on Confederation Boulevard. Canada and the World Pavilion — a stylish building set in Rideau Falls Park — is a place where people in the Capital can see the face that Canada presents to the world through its artists, athletes, scientists and peacekeepers. Nearing completion at the end of the year, the launch is scheduled for May 2001 with a guest list that includes the Prime Minister and such luminaries as astronaut Marc Garneau and Olympic rower Alison Korn. The Pavilion enjoys a prominent site on Sussex Drive, near the Department of Foreign Affairs and International Trade, and has attracted a lot of interest in the international community. A strong team of collaborators and partners, including the Canadian International Development Agency, the Department of Foreign Affairs and International Trade, the Department of National Defence, the Communications Research Centre and the Canadian Space Agency, has worked hard with the NCC to develop programming for the inaugural summer.



Canada and the World Pavilion



Winterlude 2001 — Gateway to Australia

Wonderful Winter

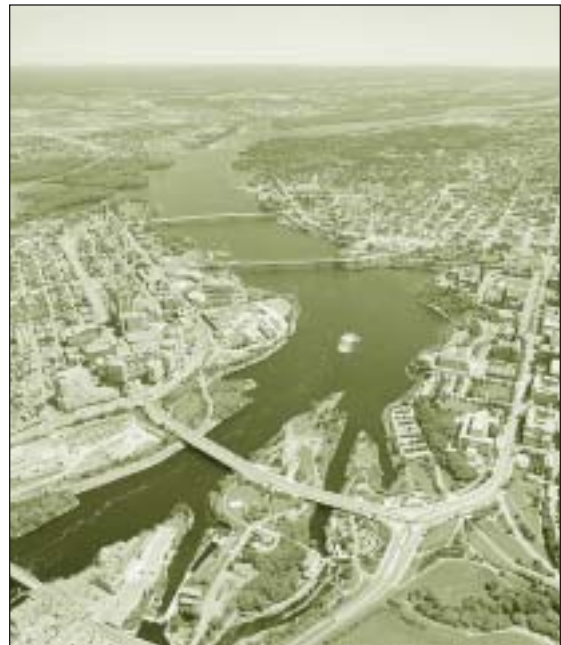
Winterlude marked its twenty-third glorious season in 2001. It was a festival notable for its enthusiastic crowds: some 6,000 people attended the grand Winterlude opening on Parliament Hill, and more than 10,000 turned out for the MuchMusic show later in the festival. Ice sculptors — 31 individuals and 14 teams — came from as far away as Japan and Indonesia to compete in the Crystal Garden International Ice-Carving competition. With the Australian High Commission collaborating enthusiastically and a range of other new partners and sponsors, the NCC managed to exceed sponsorship targets by a factor of two. Media coverage for Winterlude 2001 also reached record heights, with 1,150 news items easily surpassing the former record of 1,000.

Commemorating Canadians

As part of its mission to enrich the cultural and social fabric of the National Capital Region (NCR) and to create a meaningful and visually appealing Capital Region, the NCC supports the installation of interesting commemorations and public art by donor groups and individuals. Last year, it undertook to work with Public Works and Government Services Canada to study the commemorations on Parliament Hill (both themes and process) and to make recommendations for the future. Also during the year, the NCC supported the development of four important commemorations, to be unveiled in the Capital in summer 2001. The new monuments commemorate Aboriginal war veterans, humanitarian aid, the Mackenzie-Papineau Battalion and Maurice Richard.

Getting out the Word

The central loop of Confederation Boulevard — the part that encircles downtown Ottawa and Hull — was completed in 2000–2001, and the NCC intensified its efforts to explain and promote the Capital's ceremonial route. *A Capital Adventure*, a colourful guide featuring six walking tours around the Boulevard and three driving tours on the outskirts, attracted a great deal of attention with stories that took readers behind the scenes in the Capital of today and yesterday. The book won the prestigious Gold Pinnacle Award for Best Promotional Material from the International Festivals and Events Association.



With the book selling well locally and in bookstores across Canada, a second edition was prepared for release in May 2001. To complement the book, three large and colourful interpretation panels were installed at key sites along the Boulevard, and seven more are in the works. Through words, images and bronze sculptures, these panels set the Capital story in a national context (for example, the lumbering industry and the building of railways and bridges). The first of four map models — handsome three-dimensional structures in cast bronze — was installed at the gateway to Confederation Park in downtown Ottawa. These maps will help visitors find their way along the Boulevard and recognize its significance.

Garnering Support

The NCC continues to attract strong sponsor support, with revenues of more than \$2.6 million for the year (\$1.2 million in kind) — that is, almost double the targetted amount. Winterlude alone generated cash revenues of \$329,000 (an increase of 19 percent over the previous year), while the Rideau Canal Skateway



continued to attract especially generous contributions. The Friends of the Rideau Canal Skateway and other corporate sponsors donated a total of \$215,000 for the 2000–2001 season. Members of the public who turned out to skate put \$50,000 in collection boxes on the ice.

Winterlude Down Under



The Capital's annual winter festival

had a southern twist in 2001, with Australian entertainers, ice-carvers and snow sculptors bringing the images (including kangaroos and surfers) and sounds of the Antipodes to this northern clime. Some 25,000 people visited Ottawa's new City Hall to watch the Australians at work. The winter family exchange program went international in 2001, with the Canadian High Commission in Canberra, Australia, facilitating a visit to Winterlude by a contest-winning Australian family.

Winning Ways

The 50,000 visitors that stopped by the Gatineau Park Visitor Centre last year and the provincial government of Quebec agree that the NCC has created a winner. The Grands prix du tourisme de l'Outaouais honoured the new centre — completed in 1999 — for its contribution to visitor services in the region. The award recognizes that the centre is more than an information service; it is an attraction in itself, with a rustic setting and exhibits featuring the park's history, wildlife and geology. Snowflake Kingdom — a winter playground that transforms part of Hull into a winter wonderland during Winterlude — also carried off a Grands prix du tourisme award (for an event with a budget under \$1 million). Another honour, this one from the International Festivals and Events Association, has special resonance in the lead-up to the International Year of Volunteers: it is the award for Best Volunteer Program.



Tomb of the Unknown Soldier,
on Confederation Square

Creating a Sacred Precinct



The installation of the Tomb of the Unknown

Soldier at the National War Memorial has transformed the monument into a sacred precinct. A large, solemn crowd attended the installation in May, and throughout the year people have come to lay flowers and pray at the gravesite. The idea of an unknown soldier — it could be any Canadian who died during the First World War, and thus it is every soldier — has proven to have huge resonance for Canadians. The NCC is working with the Royal Canadian Legion and Veterans Affairs on an interpretative project for the National War Memorial.

Sector II: Planning the National Capital Region

Objectives

To plan the orientation, use and development of federal lands in the NCR in consultation with other planning jurisdictions, to ensure that their evolution is consistent with the image, character and quality of life in the Capital.

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

Launching the New Master Plan

The process of planning the Capital began over a century ago and reached a new phase in 2000, as the NCC readied itself to realize the first part of the most recent, broad-based policy statement for the Capital of the future. The *Plan for Canada's Capital* has been approved and will soon be broadly circulated to interested people and agencies in the Capital Region. Under the wide umbrella of the plan, the Core Area Sector will be the first and most immediate focus for action. The plan that has been developed will address the creation of "a unified space for working, living and celebrating Canada." Elements of the plan include the revitalization of Sparks Street, the redevelopment of LeBreton Flats and the opening up of the Ottawa River shoreline to public use and enjoyment. Public and partner consultation — key elements in the Plan — have been completed, and drafting of the Sector Plan has begun.

On the Land

The NCC is the single largest landowner in the NCR, and land management is a central activity. In 2000–2001, the corporation continued working to ensure the orderly management of its assets, not only in the form of new projects but also through the steady, ongoing process of maintaining and rehabilitating hundreds of properties, large and small. Some 700 of these properties are leased and contribute strongly to the revenue generation program of the NCC (over \$12 million in 2000–2001). The rental program is managed under contract to a private-sector firm, and a new agreement was negotiated in 2000–2001. As well, new contracts for land management in the core area (including urban parks and the Rideau Canal Skateway) were awarded to two companies — both descendants of employee takeover firms established in the mid-1990s. These firms have remained consistently competitive on the open market and continue to deliver high-quality service.

Islands in the Sun

The Ottawa River Islands and the Chaudière Falls have been the home of industry in the Capital for over a century, and they are rich in cultural and industrial heritage. The area, with its extraordinary history and natural beauty, has great potential as a heritage site, park and public space. To make sure it is ready to take advantage of opportunities for investment as they arise, the NCC launched environmental studies (focusing on the ecology, ownership of land and buildings, transportation and the utilities that have operated at this site for over a century). Data has been compiled and stored in a Geographic Information System. The NCC also initiated discussions with other branches of government on the heritage of the islands and interpretation opportunities. It also began to develop alternative land use scenarios and heritage research.



The National Capital Region (NCR) at a glance



Gatineau Park Visitor Centre

In the National Interest

Over a century of planning and development, the NCC and its partners have acquired ownership of a large and varied portfolio of properties. Not all of these properties have remained central to the national interest as the plans and operations of the corporation have evolved. In 1988, the NCC reviewed its lands and properties to determine which ones should be classified as part of the National Interest Land Mass (NILM), including lands considered essential to the long-term character of the Capital. The important assets include national shrines (for example, Confederation Boulevard with its many monuments), as well as green lands throughout the Capital Region (river and canal banks, scenic parkways, Gatineau Park and the Greenbelt). Most of these lands are owned federally or will be acquired by the NCC when they become available. The NCC took a second look at NILM in 1999 and 2000 to catch up on the various plans elaborated over the last decade.

A Fresh Look at Gatineau Park

Think of it as a pyramid of plans, with the *Plan for Canada's Capital* at the top, setting the broad policies, with the *Gatineau Park Master Plan* below it, and lower still sector plans for the park — for example, the *Gatineau Park Parkway Sector Plan*. The *Gatineau Park Master Plan* was published more than a decade ago, and the NCC began the process of updating it last year to reflect the new provisions of the *Plan for Canada's Capital*. One of the proposals on the drawing board under the Core Area Sector Plan is the creation of a direct link from the downtown core, so that visitors can travel directly from Confederation Boulevard into the forested hills. The NCC has given permission to the federal and provincial governments to extend McConnell-Laramée Boulevard through the southernmost tip of Gatineau Park, and it is examining alternatives for providing direct access to the Park while minimizing the impact on the natural environment. At the same time, the NCC also proposes to landscape the urban part of the road, similar to the Confederation Boulevard streetscaping, and integrate Gatineau Park into the overall Capital experience.



King Mountain Lookout

Linking Quebec and Ontario

The NCC — at one time the only organization concerned with interprovincial transportation in the Capital — has gradually passed responsibility for those roads and bridges to other levels of government. However, as the only organization in the Capital Region that has a mandate to promote interprovincial links, it continues to play a role in the development of cross-boundary transportation systems. Since 1998, the NCC has been working with regional governments and transportation authorities in Quebec and Ontario to develop a regional transportation strategy. In 2000–2001, a joint regional and interprovincial rapid transit study was launched with full NCC support and involvement.



Supreme Court of Canada

Vetting the Federal Presence

The federal government is a major property owner in the Capital region. The architecture, landscaping and heritage implicit in such buildings as Parliament and the Supreme Court of Canada are a central part of the Capital image. That is why the NCC has been given responsibility to examine every proposed change to physical structure or land use that affects federal lands in the Capital. During 2000–2001, 140 land use and transaction submissions were received and 102 were approved. As well, 135 federal designs were reviewed, including 28 major projects, and 60 approvals were granted.



Stewards of the Capital Region

The Canadian public is beginning to express its dismay at the level and degree of environmental degradation throughout Canada. Clearly, the NCC has a vital role to play as environmental steward of the Capital Region. The corporation continued to work within the framework of a five-year environmental plan to identify and solve existing problems and to make sure that the environmental impact of future plans is well understood. Last year, the NCC pinpointed a number of problem areas and launched several clean-ups. Where projects are being planned, the NCC reviewed downstream implications to make sure that the future environment would not be compromised by today's actions. As a land-use authority, the NCC also vetted a wide range of federal projects for environmental impact.

Talking It Over



The dialogue continues. Under the

broad outlines of the Plan for Canada's Capital (1999), the NCC brought forward the Core Area Concept for public discussion in the year 2000. Generally speaking, people applauded the ideas contained in the document. In particular, participants responded well to the NCC's commitment to containment of urban sprawl through consolidated residential development. They also liked the plan for the opening up of Bank Street to the Ottawa River and for mixed-use development on LeBreton Flats. At the same time, they expressed concerns — for example, regarding the value of creating new, large-scale urban spaces. These comments have already generated changes and improvements in such areas as heritage preservation, transportation and environmental protection. People also made it clear that they want less emphasis on the car and more on public transit, walking and cycling.

Sector 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.



Bringing Sparks Street to Life

An important element in the next phase of Capital development is the plan to revitalize one of Ottawa's most important heritage assets — Sparks Street. The NCC plans to bring life back to the much-decayed area that forms the doorstep to Parliament Hill. To do so, it will create a public plaza in front of Parliament. Negotiations were undertaken to acquire key properties and to explore development options and to turn this concept into reality.

LeBreton Flats

Work continued to transform a large area of scrubland on the edge of downtown Ottawa into a dynamic part of the Capital. The NCC started work on a development strategy to support its plan to dispose of some of the land for residential uses. At the same time, discussions were held with major public institutions to explore the possibility of new federal buildings on a prominent riverside site on LeBreton Flats. The installation of such institutions adjacent to Confederation Boulevard would enormously enrich the symbolic and cultural importance of the Capital's Discovery Route (already the site of the National Gallery of Canada and the Canadian Museum of Civilization).



LeBreton Flats development proposal

At Work on the Official Residences

Since 1985, the NCC has taken very seriously its responsibility to maintain and rehabilitate the six official residences in the NCR. These wonderful houses — including the Governor General's and Prime Minister's residences — are among the most important architectural treasures in the Capital Region. During the past few years, the NCC has developed a plan to carry out a slate of capital projects, and it is now working to adjust the scope and timing of some of these projects. In 2000–2001, the NCC began to draw on new long-term funding to carry forward its multi-year rehabilitation plan. Projects undertaken in the past year included the restoration of Rideau Cottage (an outbuilding at the Governor General's estate) and the rehabilitation of the Root Cellar. The corporation also repaired the roof at Stornoway, official residence of the Leader of the Opposition, and parts of the ornamental fence surrounding the park at Rideau Hall.



The Prime Minister's residence



Champlain Bridge

Restoring a Vital Link

Champlain Bridge is part of the Capital heritage. Ever since it was completed in 1927 — a major project of the Ottawa Improvement Commission (predecessor of the NCC) — it has acted as a valuable link, both practical and symbolic, between the provinces of Ontario and Quebec in the region. Rehabilitation of the bridge began two years ago and now, after a brief delay, is half completed. Inauguration of the rehabilitated Champlain Bridge is scheduled for the end of 2001.

The Green Capital

Plans for the future include developing Canada's Capital, with its unspoiled shorelines and recreational pathways, as a major destination for eco-tourists. In 2000–2001, the NCC developed a five-year plan to upgrade its pathway network and to complete the missing links. Notably, a new five-kilometre section through the Greenbelt was built and opened to the public. The corporation is now discussing with partners the possibility of building an observation tower in the Greenbelt, with interpretive material. As part of its evolving Green Capital strategy, the NCC reflected on the kind of messages it wants to convey through its wonderful green assets and incorporated them into a draft messaging framework. This will serve as the basis for action next year. However, the immediate requirement is for information. The NCC analyzed results of the first phase of a major visitor survey on recreational assets in Gatineau Park and the Greenbelt and gathered information for the second phase. A millennial map showing recreational pathways in the Capital Region was published.

The IV Games of la Francophonie

Preparations for the arrival of athletes from all over the French-speaking world continued, as Ottawa-Hull readies itself to host the IV Games of la Francophonie, the French-language equivalent of the Commonwealth Games. Though Hull is the primary site of the Games, the NCC is collaborating with organizers by making available a range of lands and parks in the central Capital.



Gatineau Park



Compromise in Action

Public response to a preliminary plan for new animal control regulations — and in particular the reduction of off-leash areas in the Greenbelt — was huge, and dog-owners turned out in droves to make their views known. After receiving 1,800 written submissions, the NCC reacted promptly by putting its original plans on hold and engaging affected citizens in discussion. Compromises have been reached in many areas. For example, certain parks that are heavily used by picnicking families will be closed to dogs. In other areas, off-leash privileges will be extended. The new regulations — an example of how public consultation can be used to arrive at creative compromise — have been re-drafted and will be submitted under the federal regulatory process. The new regulations are expected to be implemented in 2001.

Protecting People, Protecting Nature

Protecting public safety involves the NCC in a virtually constant program of monitoring and assessment. For example, the NCC monitored the quality of drinking water in various parts of Gatineau Park, notably at Meech and Chelsea creeks, where acceptable levels were found. Water quality was also monitored at the six beaches in the park, and no beach closures were required during the year. Last year, water quality concerns obliged the NCC to begin delivering water to certain leased properties in rural areas. New ultra-violet water treatment systems and a few new wells have now been installed on NCC properties. The corporation continues to monitor water quality to make sure the problems do not resurface. In Gatineau Park, wardens continue to keep an eye on 145 beaver control points and to support a substantial program of scientific research in the park. In the urban parks, elms were comprehensively treated for Dutch elm disease, including the injection of fungicide, pruning and culling of infected trees.

“Weather” or Not

A cold summer meant fewer visitors both in Gatineau Park, where numbers using the park in summer (and resulting revenues) only reached the minimum targets. In the city, low summer temperatures also affected the crowds turning out for Sunday Bikedays, with participation falling from earlier highs of 105,000 to 65,000. On the other hand, winter weather was spectacular — cold and snowy — and hordes of skiers and snowshoers turned out in Gatineau Park. The Rideau Canal Skateway was open for 69 days in a row, which is close to a record. Thanks to the excellent winter, seasonal revenues exceeded targets.





NCC award from Mosaïcultures Internationales Montréal, 2000

On the Podium
Once again, the NCC won plaudits from professional associations across Canada for the scope and quality of its contribution to urban design.

AWARD OF EXCELLENCE

City of Ottawa Architectural Conservation Awards

For successful completion of the Plaza Bridge and Confederation Square

AWARD

Ontario Association of Landscape Architects
For service to the environment and in recognition of contribution to sensitive sustainable development

LE PRIX COMPOSITION

Mosaïcultures internationales, Montréal (October 2000)

Design award for “La région de la Capitale nationale : Le plan Gréber”

AWARD OF EXCELLENCE

Association des architectes paysagistes du Québec
For the two-dimensional display presented at Mosaïcultures internationales, Montréal

(October 2000)

On the Ceremonial Route



Years of design and labour came to

an end in June 2000, when Confederation Boulevard — a majestic ceremonial route lined with flags and granite pavement — opened with much fanfare. Prime Minister Chrétien was on hand to do the honours. The idea of a ceremonial route goes back to the late 19th century in Ottawa, when Lady Aberdeen (wife of the then Governor General) pushed for a boulevard to connect Rideau Hall (official residence of the Governor General) and Parliament Hill. The idea did not begin to take shape, however, until the 1980s, and most of the work was accomplished in the 1990s. Confederation Boulevard (the Capital's Discovery Route), with its majestic lampposts crowned with bronze maple leaves, is now in place as a major landmark in the Capital and as a splendid legacy for future generations of Canadians.

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.



Getting Together

A major milestone in 2000 was the publication of the NCC's governance study, *Enhancing Relations*, which will form the basis of a new communications plan and may well redefine how the corporation works with its various constituencies. One of the issues addressed was the need for high-level coordination between the NCC and its partners, both federal and municipal. The governance study proposed the convening of regular meetings at senior federal levels. Also, to improve working relations at the regional and municipal level, the NCC will bring the mayors of Ottawa and the amalgamated municipality in Quebec more closely into the planning process by setting up of a joint planning committee that will report to the NCC board of directors.



A Meeting of Minds

The increase in Access to Information requests — from forty to sixty-one in the past year — is just one symptom of the media's and the public's desire to be involved. People who live and work in the Capital Region want a say in how the community develops. The governance study urged the NCC to strengthen its relationships with the public through improved consulting processes. In the future, the NCC will consult earlier and more often with the public. Moreover, the NCC will organize more meetings with interest groups, and it will organize an annual general meeting and open it to the public. Largely as a result of the governance study, the NCC has promoted its communications function into a full-scale branch.



Opening the Door

Entering a new century and a new phase in the long-term task of building a great Capital, the NCC realizes the need to work hand in hand with the public. At the same time, it recognizes that technology provides an opportunity to increase the openness and to generate two-way communication. To that end, the corporation worked to prepare a new corporate website, describing each sector of NCC activities — why it does a particular activity, how it addresses the challenges of building and where and when the public can get involved. In developing the new site, the NCC drew on its successful experience with an earlier tourist-oriented website dealing with the character and attractions of the NCR.

Next in Line

The marketplace for human talent is a fierce one at the beginning of the 21st century, as corporations like the NCC strive to improve their competitive advantage. And opportunity — the ability to advance upward through the organization — is something that capable and ambitious people are seeking in a job. Last year, the NCC launched a succession management program to identify and prepare employees to move

forward into management positions, as they become available over time. The NCC — like the whole federal government — is facing a rash of senior retirements during the next few years. Clearly, it will benefit from planned succession; at the same time, employees will have the advantage of being able to chart their careers and move steadily forward. Phase I of the 2000–2001 program involved the assessment of seven directors and the planning for individual development and career-related training. Preparations were made to extend the program to self-identified employees at other levels of the corporation in the coming year.

“I Love You”

A real concern in modern operations is the danger of viruses coming into the computer system from outside. The NCC implemented a software called AntiGEN on its corporate server to protect the corporation from infection on incoming e-mails. Thanks to this software, the NCC was protected from the worst of the “I Love You” virus. Technical specialists responded quickly to the invasion and, in most cases, damage was limited.

Looking for Facts

Information is the backbone of NCC programs. In 2000–2001, the NCC undertook 13 major research projects touching on a full range of themes, programs and events. Research helped the NCC feel out the shape of emerging markets (for example, through the seniors market research study). Surveys of millennial projects showed the NCC what elements to retain and adapt for future use. Countrywide surveys of marketing efforts (such as *Shake, Rattle and Stroll!*, which went out to potential visitors all over Canada) show the kind of return on investment that the NCC is achieving for its marketing dollars. A different kind of study brought focus groups together during the development of the NCC’s corporate website to get feedback on such issues as ease of navigation, usefulness of information and attractiveness of the design, and the site was modified and improved during development. Results of research studies are shared with various stakeholders through an annual summary report of all corporate research or with organizations sharing a mutual interest in the results of particular studies.

Carrying Off the Honours



Once again, the NCC has won the

Auditor General’s Award for Excellence in Annual Reporting. This marks the third time in four years that the NCC has been recognized for the high calibre of its corporate plan summary and annual report. The wider and more highly targeted distribution for these publications to federal and municipal partners and to local interest groups also elicited a very positive public response. This new distribution program, along with the new corporate website, is helping the NCC to chart a new and more open course with its many associates and partners.

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 corporation. Over the past few years, the group has focused on corporate initiatives such as commercialization, corporate systems renewal and environmental management. In 2000–2001, in particular, the group conducted a “systems under development” audit of the Integrated Asset Management Information System (IAMIS), as well as ongoing monitoring. It also examined Mission Critical Information and Sponsorship and began a security review of the Information Technology network environment. Certain risk areas — for example, procurement practices — were also assessed as part of a routine annual review.

Alternative Fuels

The NCC fleet has stabilized at close to 30 vehicles (32 in 2000–2001, soon to be reduced to 30). As part of its commitment under the *Alternative Fuels Act*, the corporation continues to rely on Q-Tool Analysis (developed by Natural Resources Canada) to support the NCC’s fleet replacement plan. The plan mandates the replacement of vehicles every four to six years. The purchasing policy supports a move to smaller vehicles (4 to 6 cylinders), which are more than adequate for their purpose. The vehicles are fuelled, whenever possible, with environmentally friendly, low-level ethanol blended fuels. Electric cars are available on the market and will be considered when they become more affordable.

Talking About Respect, Well-Being and Commitment



What one thing would you change at the NCC

to support corporate values? That was just the kind of tough question that people at the NCC struggled with last year, as the discussion of corporate values expanded from senior management to all employees. A number of meetings were held, the purpose being not only to define corporate values and philosophy, but also to pinpoint the actions and behaviour that will help realize those values in the work of the NCC. The results of this employee-driven process are now ready for application in the day-to-day work of the corporation.



Financial Statements



2000-2001



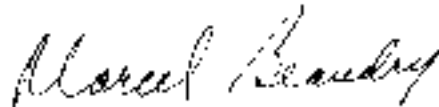
Management Responsibility for Financial Statements

The accompanying financial statements of the National Capital Commission (NCC) 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 Canadian generally accepted accounting principles and, where appropriate, they include amounts that have been estimated according to management's best judgement. Financial information presented elsewhere in the Annual Report is consistent with that shown in the financial statements.

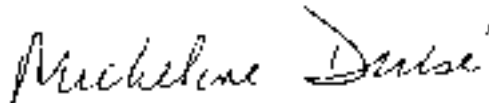
Management has developed and maintains books of accounts, records, financial and management controls and information systems. These are designed to provide reasonable assurance that the NCC's assets are safeguarded and controlled, that resources are managed economically and efficiently in the attainment 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 NCC. Internal audits are conducted to assess the performance of information systems and management controls and practices.

The NCC's external auditor, the Auditor General of Canada, has audited the financial statements and has reported on her audit to the members of 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



Micheline Dubé
Vice-President, Corporate and
Information Management Services

May 28, 2001



Auditor's Report

To the Minister of Canadian Heritage

I have audited the balance sheet of the National Capital Commission as at March 31, 2001 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 Canadian 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 disclosures 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, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied, except for the change in the method of accounting for Employee Termination Benefits Obligation as explained in Note 3 to the financial statements, 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.

Shahid Minto, CA
Assistant Auditor General
for the Auditor General of Canada

Ottawa, Canada
May 28, 2001 (June 25, 2001 for the note 16)

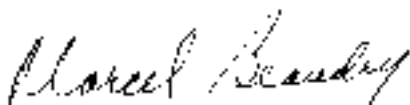
National Capital Commission
Balance sheet
as at March 31

(thousands of dollars)
2001 **2000**

Assets		
Current		
Cash and short-term deposits (Note 4)	\$ 70,981	\$ 62,757
Accounts receivable		
Federal government departments and agencies	15,912	1,210
Tenants and others	3,270	3,983
Prepaid expenses	3,268	3,496
	93,431	71,446
Trust Account (Note 5)	4,393	4,265
Capital Assets (Note 6)	447,137	405,000
	\$544,961	\$480,711
Liabilities		
Current		
Accounts payable and accrued liabilities		
Federal government departments and agencies	\$ 2,050	\$ 5,124
Others	15,015	15,454
Current portion of provision for environmental clean-up (Note 12)	2,999	386
	20,064	20,964
Provision for environmental clean-up (Note 12)	26,396	5,066
Deferred insurance proceeds (Note 5)	4,393	4,265
Deferred rent inducement	3,408	3,591
Employee termination benefits obligation (Note 10)	3,279	4,606
Unsettled expropriations of property and land exchanges	3,174	3,179
	60,714	41,671
Commitments and contingencies (Notes 11 and 12)		
Equity of Canada	484,247	439,040
	\$544,961	\$480,711

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)

2001 2000

Income		
Rental operations and easements	\$ 15,475	\$ 13,716
Net gain on disposal of capital assets	15,804	2,456
Interest	3,882	3,640
Sponsorship		
Cash	1,280	727
Goods and services	1,187	850
Sub-lease, headquarters	1,191	1,221
User access fees	1,081	1,127
Other fees and recoveries	3,124	3,613
	43,024	27,350
Cost of Operations (Notes 7 and 8)		
Real asset management and development	57,796	53,078
Corporate services	21,007	20,862
Promoting and animating the National Capital Region	17,015	15,888
Planning the National Capital Region	2,079	1,946
	97,897	91,774
Cost of operations before parliamentary appropriations	(54,873)	(64,424)
Parliamentary appropriations (Note 9)	62,555	53,302
Net Income (Cost of Operations)	\$ 7,682	\$(11,122)

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)
2001 **2000**

Operations		
Balance at beginning of year	\$435,392	\$383,544
Adjustment to balance at beginning of year Change in accounting policy (Note 3)	1,598	-
Balance at beginning of year restated	436,990	383,544
Net income (Cost of operations)	7,682	(11,122)
Transfer of capital assets from Government of Canada	875	8,829
Donation of works of art	-	42
Parliamentary appropriations to acquire and improve capital assets (Note 9)	34,750	54,099
Balance at end of year	480,297	435,392
Canadiana Fund (Note 1)		
Balance at beginning of year	3,648	3,156
Donations	302	492
Balance at end of year	3,950	3,648
Total balance at end of year	\$484,247	\$439,040

The notes are an integral part of the financial statements.

National Capital Commission
Statement of Cash Flows
for the year ended March 31

(thousands of dollars)

2001 2000

Cash flows from operating activities		
Cash receipts from parliamentary appropriations for operating activities	\$56,531	\$52,933
Cash receipts from rental operations and easements	15,194	13,747
Cash receipts from other operations	8,025	5,375
Cash paid to suppliers and employees	(84,342)	(78,683)
Interest received	3,937	2,996
Cash flows used in operating activities	(655)	(3,632)
Cash flows from investing activities		
Purchases and improvements to capital assets	(35,973)	(31,675)
Proceeds on disposal of capital assets	18,981	3,282
Disbursements for settlement of expropriations of property	-	(511)
Disbursements for environmental clean-up	(201)	(10)
Cash flows used in investing activities	(17,193)	(28,914)
Cash flows from financing activities		
Cash receipts from parliamentary appropriations to acquire and improve capital assets	29,751	54,099
Disbursements for pay equity	(3,697)	-
Cash receipts for Canadiana Fund	18	16
Cash flows from financing activities	26,072	54,115
Increase in cash and short-term deposits	8,224	21,569
Cash and short-term deposits at beginning of year	62,757	41,188
Cash and short-term deposits at end of year	\$70,981	\$62,757

The notes are an integral part of the financial statements.



Notes to Financial Statements as at March 31, 2001

1. Authority and Objectives

The National Capital Commission (NCC) was established in 1959 under the terms of the *National Capital Act* (1958). The NCC 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 NCC, 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 *National Capital Act* gave the NCC 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 NCC is also responsible for the management and maintenance of the assets of the official residences located in the National Capital Region. It 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 Canadian 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 transferred 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 NCC are recorded, as donated 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	20 and 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

NCC employees are covered by the Public Service Superannuation Plan administered by the Government of Canada. The NCC's contributions to the plan are limited to 2.14 times the employees' contributions on account of current and certain past service. These contributions, which amounted to \$2.595 million (\$1.195 million in 2000), represent the total pension obligations of the NCC and are charged to operations on a current basis. The NCC is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

(e) Employee Termination Benefits Obligation Severance pay generally accrues to employees over their service period and is payable on their separation or retirement. The obligation is actuarially determined using the projected benefit method prorated on services and management's best estimate of salary projection, discount rate and average remaining service period of active employees expected to receive benefits. Management recognizes changes in the liability based on actuarial results and recognizes adjustments arising from actuarial gains or losses in the year in which they occur.

(f) Deferred Rent Inducement

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

(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 NCC.

(h) Workers' Compensation

The NCC 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 NCC records a provision for environmental clean-up in situations where it 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.

(k) Measurement Uncertainty
The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and cost of operations during the reporting period. Provision for environmental clean-up, employee termination benefits obligation, unsettled expropriations of property and land exchanges, estimated useful lives of capital assets and contingent liabilities are the most significant items for which estimates are used. Actual results could differ from those estimates.

3. Change in Accounting Policy

Effective April 1, 2000, the NCC adopted the new accounting recommendation of the Canadian Institute of Chartered Accountants with respect to employee future benefits. This change in accounting policy affects the recognition of the expense and liability for the costs of employee termination benefits. Prior to April 1, 2000, the NCC determined these amounts using management's best estimate. This year, the NCC recognized the present value of its estimated liability as at April 1, 2000. The effect of this change of accounting policy has been recorded on a retroactive basis with an increase to the opening equity and no restatement of prior financial statements. The opening balance in the statement of equity of Canada increased by \$1.598 million and the liability decreased by the same amount.

4. Cash and Short-Term Deposits

The NCC'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, 2001, cash and short-term deposits include deposit certificates and banker's acceptances at a weighted average interest rate of 5.5 percent (5.3 percent in 2000) and have an average term-to-maturity of 6 months (6 months in 2000). The fair value of cash and short-term deposits approximates the book value due to the short period to maturity of the investments.

Cash and short-term deposits at year-end amounted to \$70.981 million (\$62.757 million in 2000). Included in this cash balance are funds that are segregated:

- (a) cash donations received for the Canadiana Fund in the amount of \$11,748 (\$28,062 in 2000);
- (b) funds of \$24.326 million (\$29.819 in 2000) for the purpose of acquiring and trading lands along the Sparks Street Mall, in Ottawa, pursuant to Governor in Council authority;
- (c) funds of \$9.381 million (\$2.461 in 2000) for rehabilitation of the official residences;
- (d) funds, in the amount of \$27.512 million (\$13.548 million in 2000), 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
Cash available at beginning of year	\$ 4,953	\$ 8,595	\$13,548
Proceeds on disposal		18,976	18,976
Acquisition/disposal expenses		(893)	(893)
Interest		848	848
Acquisitions and improvements	(4,953)	(14)	(4,967)
Cash available at end of year	\$ -	\$27,512	\$27,512

5. Trust Account

The NCC 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 NCC as it will be responsible to pay the continuing cost 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, 2001, the portfolio's overall rate of return was 8.9 percent (1.2 percent in 2000). 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, 2001, the fair value of the investments is \$4.751 million (\$4.716 million in 2000).

6. Capital Assets

(thousands of dollars)
March 31, 2001

(thousands of dollars)
March 31, 2000

	Buildings, Works and			Total Cost	Accumulated Amortization	Net Book Value	Net Book Value
	Land	Infrastructure	Equipment				
Land and Buildings, Works and Infrastructure¹							
Greenbelt	\$ 28,782	\$ 36,069		\$ 64,851	\$ 24,127	\$ 40,724	\$ 43,113
Gatineau Park	19,527	16,455		35,982	9,367	26,615	26,925
Parkways	33,773	107,093		140,866	52,859	88,007	89,032
Parks	27,212	56,129		83,341	25,248	58,093	54,454
Bridges and approaches	1,741	57,739		59,480	21,551	37,929	24,705
Historical properties	158	46,479		46,637	26,964	19,673	18,120
Recreational facilities	17,515	20,238		37,753	11,410	26,343	26,653
Rental properties	48,548	53,036		101,584	25,516	76,068	72,851
Development properties	44,472	5,437		49,909	3,302	46,607	21,384
Unsettled expropriations and land exchanges	3,174			3,174		3,174	3,179
Administrative and service buildings	4,576	16,073		20,649	10,827	9,822	10,890
	229,478	414,748	-	644,226	211,171	433,055	391,306
Less: provision for transfers ²	(1,838)			(1,838)		(1,838)	(1,838)
	227,640	414,748	-	642,388	211,171	431,217	389,468
Leasehold Improvements		9,351		9,351	2,657	6,694	7,175
Equipment							
Machinery and equipment			8,756	8,756	8,067	689	774
Office furniture and equipment			4,211	4,211	3,134	1,077	1,364
Vehicles			1,020	1,020	581	439	447
Computer and communications equipment			11,003	11,003	9,044	1,959	1,231
Antiques and works of art							
Canadiana Fund			3,939	3,939		3,939	3,620
Other			1,123	1,123		1,123	921
			30,052	30,052	20,826	9,226	8,357
Total	\$227,640	\$424,099	\$ 30,052	\$681,791	\$234,654	\$447,137	\$405,000

1. The total cost of land and buildings, works and infrastructure includes \$36.0 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.

7. Sector Definitions and Objectives

The NCC 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:

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.

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.

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.

9. Parliamentary Appropriations

	(thousands of dollars)	
	2001	2000
Parliamentary appropriations for operating expenditures received during the year	\$56,531	\$54,099
Parliamentary appropriations to acquire and improve capital assets received during the year	29,751	52,933
Parliamentary appropriations receivable at end of year	11,023	369
	\$97,305	\$107,401
Applied as follows:		
Parliamentary appropriations recorded on the Statement of Operations	\$62,555	\$53,302
Parliamentary appropriations recorded on the Statement of Equity	34,750	54,099
	\$97,305	\$107,401

8. Cost of Operations

Summary of Expenses by Major Classification

	(thousands of dollars)	
	2001	2000
Salaries and employee benefits	\$27,988	\$25,420
Goods and services	42,572	39,400
Goods and services in kind	1,187	850
Payments in lieu of municipal taxes	11,506	12,069
Amortization	14,644	14,035
	\$97,897	\$91,774

10. Employee Termination Benefits Obligation

The NCC's employee termination benefits obligation represents an unfunded liability and is generally based on employees' length of service and rate of pay. The present values of employee termination benefits and current benefits expenses are determined by the NCC's actuary based on assumptions provided by management.

The significant actuarial assumptions adopted in measuring the NCC's obligation are a discount rate of 5.85 percent (6.03 percent in 2000), salary projection of 3.3 percent (3 percent in 2000) and average remaining service period of active employees expected to receive benefits of 11.64 years (11.96 years in 2000). The actuarial liability could be materially different if assumptions on which the valuation is based vary significantly in future years. The statement of operations includes a charge of \$495,513 for the cost of these benefits in the year. The benefits paid to employees during the year were \$84,661 (\$89,744 in 2000).

11. Commitments

- (a) The NCC 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 \$163.1 million (\$151.9 million in 2000). The NCC 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 \$24.2 million (\$15.6 million in 2000) have been awarded for these functions; these contracts will terminate in 2004–2005.

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

	(thousands of dollars)
2001–2002	\$ 16,911
2002–2003	\$ 11,014
2003–2004	\$ 11,065
2004–2005	\$ 6,328
2005–2006	\$ 5,715

- (b) The NCC has entered into contracts for capital expenditures of approximately \$13.5 million. Payments under these contracts are expected to be made within the next three years.

12. Contingencies

(a) Claims

Claims have been made against the NCC totalling approximately \$5.9 million (\$18.9 million in 2000), 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 NCC 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 NCC has prioritized 1,581 property assets that qualify for environmental assessment. Following a preliminary assessment of 579 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 NCC assesses the liability and the contingency for environmental clean-up at \$29.4 million (\$5.5 million in 2000) and at \$44.8 million (\$44.7 million in 2000) respectively. The contingency reflects the suspected costs or potential additional costs associated with situations where it is uncertain whether the NCC is obligated or it is unlikely that the NCC will incur full remediation costs.

13. Related Party Transactions

The NCC 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 NCC 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 NCC incurred expenses totalling \$8.3 million (\$8.9 million in 2000) for utilities, rental of space, asset and service purchases from other government departments and agencies, and earned revenues totalling \$5.6 million (\$6.0 million in 2000) from services rendered, rental operations and sales of assets to other government departments and agencies.

14. Fair Value of Financial Instruments

In addition to what has already been described in Notes 4 and 5 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.

15. 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 NCC is now a separate employer, the 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 NCC 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 NCC. For reasons of administrative efficiency, the NCC has however made disbursements on behalf of the Treasury Board to more than 400 employees and former employees in the amount of \$3.7 million in 2001. As a separate employer since January 1, 1994, the NCC 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 NCC is not determinable at this time.

16. Subsequent Events

(a) LeBreton Flats

On May 15, 2001, the Government of Canada announced its plan for investing in Canada's Capital and its federal cultural institutions. The plan includes the preparation of LeBreton Flats for the construction and the opening of a new war museum in November 2004. LeBreton Flats is part of the NCC's *Plan for Canada's Capital*. To prepare the Flats for development, the soil on the once-busy industrial site must be decontaminated. In addition, the existing Ottawa River Parkway will be realigned and Wellington Street extended through the centre of the site to create LeBreton Boulevard. Services must also be provided to the area. The cost of the decontamination, road network and servicing is estimated at \$99 million.

Consequently, the provision for environmental clean-up for LeBreton Flats has been adjusted to \$27.4 million (\$2.7 million in 2000) and is included in the provision presented on the balance sheet. This estimate reflects the results of the latest environmental study conducted to assess the environmental costs related to the development announced.

(b) Sparks Street Area

On March 20, 2001, the NCC signed an agreement of purchase and sale of a property described as 30 Metcalfe Street and other lands. On May 10, 2001, the NCC waived the remaining condition of the agreement. Pursuant to Governor in Council authority, the NCC entered into this transaction to acquire and trade lands along the Sparks Street Mall, in Ottawa. In the context of this agreement, the NCC is committed to compensate one of the tenants by providing an allowance for relocation. This transaction will be finalized in the 2001–2002 fiscal year and will be accounted for through the recording of capital assets, amortization and a cash outflow.

17. Comparative Figures

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





Appendices



1939-1945

1939-1945

Appendix I

The Commission as at March 31, 2001

The Commission

CHAIRPERSON:
MARCEL BEAUDRY
Hull, Quebec

VICE-CHAIRPERSON:
HEATHER CHIASSON
Ottawa, Ontario

MEMBERS:
JACQUES CARRIÈRE
Aylmer, Quebec

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Frederecton, New Brunswick

ERIC CHARMAN
Victoria, British Columbia

MARC DENHEZ
Ottawa, Ontario

ROLAND DES GROSEILLIERS
Ottawa, Ontario

RUTH CAROL FELDMAN
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Gormley, Ontario

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Ottawa, Ontario

MARC LETELLIER
Québec, Quebec

DARLENE MANDEVILLE
Yellowknife,
Northwest Territories

FRANÇOIS PICHARD
Hull, Quebec

NANCY POWER
Edmonton, Alberta

IRVING SCHWARTZ
Sydney, Nova Scotia

Executive Committee

CHAIRPERSON:
MARCEL BEAUDRY

VICE-CHAIRPERSON:
HEATHER CHIASSON

MEMBERS:
MARC LETELLIER

NANCY POWER

IRVING SCHWARTZ

Corporate Audit and Evaluation Committee

CHAIRPERSON:
IRVING SCHWARTZ

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JACQUES CARRIÈRE

RUTH CAROL FELDMAN

NORMA LAMONT

FRANÇOIS PICHARD

EX OFFICIO MEMBER:
MARCEL BEAUDRY

Compensation Review Committee

CHAIRPERSON:
NORMA LAMONT

MEMBERS:
RUTH CAROL FELDMAN

NANCY POWER

IRVING SCHWARTZ

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Marketing
Vancouver, British Columbia

VICE-CHAIRPERSON:
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Historian, Writer
Ottawa, Ontario

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DUNCAN MCKIE,
Media and Marketing
Toronto, Ontario

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Associate Professor
Political Science
Winnipeg, Manitoba

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DARLENE MANDEVILLE

EX OFFICIO MEMBER:
MARCEL BEAUDRY

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MARC LETELLIER

EX OFFICIO MEMBER:
MARCEL BEAUDRY

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Westmount, Quebec

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CAROL GAULT
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OBSERVERS:
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JIM QUINN

VASSILI SAKELLARIDES

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BENOIT CÔTÉ

GERALD PITTMAN

EX OFFICIO MEMBER:
MARCEL BEAUDRY

OBSERVER:
JULIA REITMAN

Appendix II

Sponsors and Partners

The success of the National Capital Commission (NCC) depends on the support and contributions of many sponsors and partners. Over the past decade, the NCC has benefitted from a strong network of collaborators. The NCC would like to take this opportunity to acknowledge and thank the following organizations, that contributed to NCC programming and activities in 2000–2001.

NCC Sponsors

Accenture	Dancing Mermaid	Noah's Restaurant
Air Canada	D'Arcy McGee's	& Catering
Albert at Bay Suite Hotel	Restaurant	Novotel Hotel Ottawa
Alcatel	Delta Ottawa Hotel	Ombrelle
Arc the Hotel	& Suites	Ottawa Dental Society
Award Cycle & Sports	EDS Canada	Pecco's Velos
Bauer Inc.	Em Promo-Marketing	Pizza Pizza
Best Western Hotel	Embassy Hotel & Suites	Quality Hotel
Jacques Cartier	Embassy West Hotel	Ramada Hotel & Suites
Best Western Victoria	Enbridge Consumers Gas	Rideau Centre
Park Suites	Excellent Eateries Group	Rogers AT&T Wireless
BGM Imaging Inc.	Fish Market Restaurant	Roxborough Hotel
Bicyclinique	Fresh Air Experience	Royal Bank of Canada
Bistro 115	Friends of the Rideau	Royal Canadian
Blue Cactus Bar & Grill	Canal Skateway	Air Force
Business Development	(73 companies)	Royal Canadian Mint
Bank of Canada	Foster's Sport Centre	Sheraton
Canada 3000	Full Cycle	Sheraton Four Points
Canadian Children's	GE Canada	in Hull
Museum	Gowlings	Sheraton Ottawa Hotel
Canadian Community	Hard Rock Café	Société de transport
Newspaper Association	History Television Inc.	de l'Outaouais
Canadian High	Holiday Inn Plaza	Southbank Dodge
Commission, Canberra	de la Chaudière	Chrysler Ltd.
Canada Life	Honda Canada Ltd.	Sport Exchange Outaouais
Canada Post Corporation	Hummingbird Ltd.	Sports Wrightville
Capital Hill Hotel	Inventa Sales &	Stoney Ridge Cellar
& Suites	Promotions Ltd.	and Woods End Wines
Cartier Place &	Keg Restaurants Ltd.	Teletoon Canada Inc.
Towers Suites Hotel	Kodak Canada Inc.	Terrapro Corporation
Casino de Hull	KPMG	The Courtyard Restaurant
CFG0/CJMJ Chum	La Société des loteries	TMG Solutions
(Ottawa) Inc.	du Québec —	Tommy & Lefebvre
CFRA/KOOL/	Casino de Hull	Travelodge Hotel — West
MAJIC FM Division	Las Palmas Restaurant	Travelodge Hotel
Château Cartier Resort	Les Suites Hotel	by Parliament Hill
Château Laurier	LGS Group	Tubbs Snowshoe
Chicken Farmers	Loeb Canada	Company
of Canada	Lone Star Café	Tucker's Market Place
CHUM Group Radio	Lord Elgin Hotel	University of Ottawa —
Clarica	Marriott Hotel & Suites	Executive MBA
Coffee Revolution	Minto Place Suite Hotel	Vaseline Intensive
Compaq Canada	Molson Breweries	Care Lotion
Corangamite	Mouton Cadet Baron	VIA Rail Canada
Crowne Plaza Hotel	Philippe de Rothschild	Vittoria Trattoria
Cyco's	NAV Canada	Westin Ottawa
Cycle Power	Naya	
Cycle sportif	NBA Canada	
G.M. Bertrand	Nickel's Restaurant	

Appendix II *Sponsors and Partners*

NCC Partners

Agriculture and Agri-Food Canada	Department of National Defence and Canadian Forces	Société de transport de l'Outaouais
Australian Capital Territory Education & Community Services	Easter Seal Society	Supreme Court of Canada
Australian High Commission, Ottawa	Elections Canada	The Weather Network / MétéoMedia
Bank of Canada	European Union embassies	Tree Canada Foundation
Bell Canada	Fédération de la jeunesse-canadienne française	World Exchange Plaza
ByWard Market Business Improvement Association	Gap	YMCA/YWCA of Ottawa-Carleton
Calgary Stampede	Heart and Stroke Foundation of Ontario	
Canada Science and Technology Museum	House of Commons	
Canadian Agriculture Museum — Central Experimental Farm	Hull Police	
Canadian Broadcasting Corporation / Société Radio-Canada	Human Resources Development Canada	
Canadian Aviation Museum	Kinsmen & Kinettes Club of Canada	
Canadian Capital Cities Organization	Library of Parliament	
Canadian Commission for UNESCO	MBM Productions	
Canada Mortgage and Housing Corporation	Millennium Bureau of Canada	
Canadian Museum of Civilization	National Archives of Canada	
Canadian Museum of Contemporary Photography	National Arts Centre	
Canadian Museum of Nature	National Capital Balloon Club	
Canadian Olympic Association	National Film Board of Canada	
Canadian War Museum	National Gallery of Canada	
Cemtech Systems and Networks	National Library of Canada	
Child & Youth Friendly Ottawa	OC Transpo	
Cité Collégiale	Open City Productions 2002	
City of Gatineau	Ottawa Police Service	
City of Hull	Ottawa Hospital Foundation	
City of Ottawa	Parks Canada	
Centenary Federation	Pole to Pole 2000	
Currency Museum of the Bank of Canada	Public Works and Government Services Canada	
Department of Canadian Heritage	<i>REALM / SPHÈRE</i>	
Department of Foreign Affairs and International Trade	Region of Ottawa-Carleton	
	Rick's Multi-Sport Consulting	
	Rotary Club of Ottawa	
	Royal Canadian Legion	
	Royal Canadian Mint	
	Royal Canadian Mounted Police	
	Senate of Canada	

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