

National Capital Commission

.....
Building Pride and Unity Through Canada's Capital Region
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Annual Report 1994-1995



NCC

NCC-AR1994

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National Capital
Commission

Commission
de la Capitale nationale

Canada

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The Chairman's Message

A turning point in the NCC's history

In many ways, the past year was a turning point for the National Capital Commission (NCC). After nearly a century of planning and building magnificent public spaces in the National Capital Region, the NCC is fully engaged, now more than ever, in the task of bringing the Capital to life with dynamic, innovative and meaningful programming. Working with partners in the region and with Canadian advisers from all parts of the country, the NCC is striving not just to build a Capital, but also to build links between that Capital and the Canadians to whom it belongs. The NCC is committed to Canada and strongly believes in the exchange and sharing of values among all Canadians. In the past year, NCC programs brought more Canadians to the Capital than ever before — as tourists, invited guests and colleagues to help in the task of fostering national pride through the Capital. Also, the NCC reached out to touch Canadians in their homes in other parts of Canada — through broadcasts, conferences in other cities and through symbolic gifts such as the Christmas lights that were sent to every Canadian capital last year.

Changing practices, changing attitudes

The structure of the Commission began to change in 1994-95. Like every part of the federal government, the National Capital Commission has been asked by Parliament to rethink its mandate, to reduce the cost of its operations and to find new and more effective ways of doing business. The NCC responded last year by reviewing the Commission's opera-

tional resources and the services it delivers, and by looking hard and critically at everything from the size and nature of NCC land assets all the way to the structure of its committees and branches. As a result, the NCC is ready to implement changes that will ultimately create a very different and much smaller organization. The land assets of the NCC are central to its ability to do its job; however, some holdings that do not contribute to the NCC's essential mission will be divested; services that can be purchased at less cost from the private sector will be contracted out, initially through employee takeover corporations; and the latest technology and information management techniques will be applied to reduce our operating costs. The process has begun and, in three years, the NCC will be a lean, very focused and more effective organization.

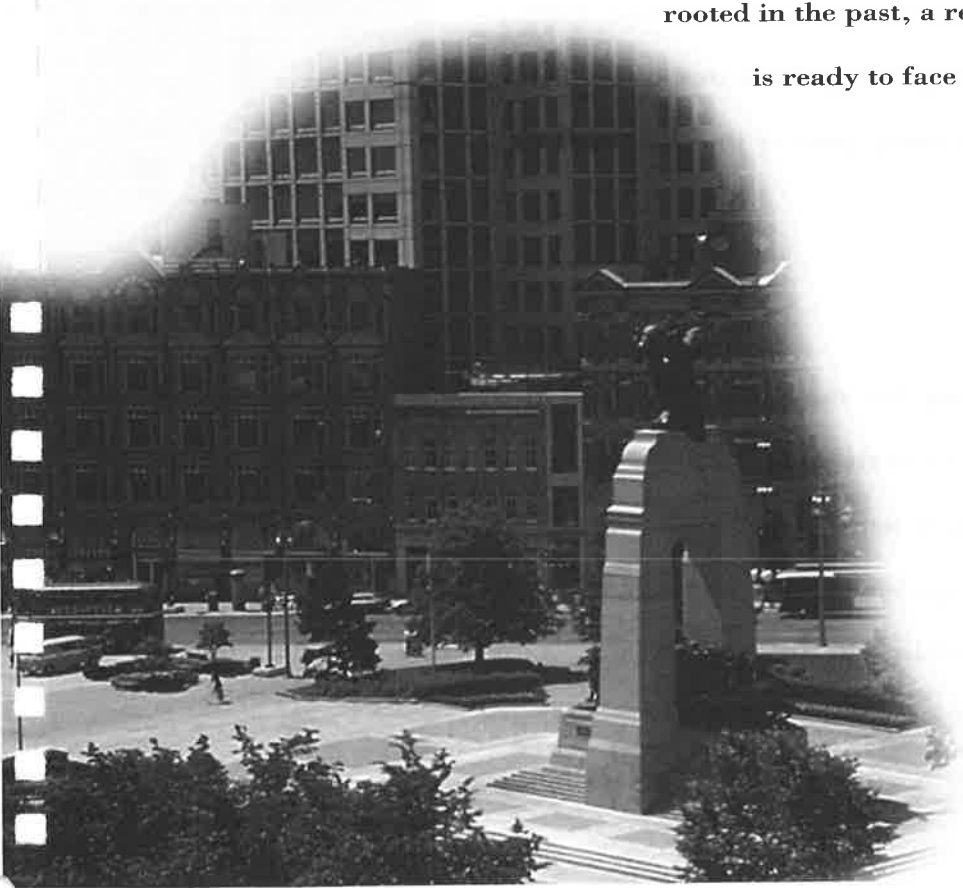
Promoting a shared regional vision

If the National Capital Region is to develop effectively as a source of pride for Canadians, the resources of many organizations — including federal partners, regional government and the private sector — must be coordinated for maximum impact. The NCC has taken the lead in working with the regions to identify common goals and to arrive at a shared regional vision of what the future Capital should be. This common vision is now in the process of being articulated and integrated into land-use planning for the region. NCC partnerships of last year also included shared responsibility for cornerstone events such as Canada Day and Winterlude, and the NCC played a decisive role by developing a programming framework that centered on the International Year of the Family. This new approach was so successful that joint programming

plans have already been elaborated around common themes for the next several years.

Old building, new headquarters

During the year, the NCC relocated its employees into new headquarters in a move that transcended the acquisition of office space and showed what the NCC can do — in partnership with the private sector — to preserve and safeguard the Capital's architectural treasures. The old Chambers Block on Confederation Square is part of the history of the Capital and one of the most beautiful commercial structures in the National Capital Region. By supporting its renewal and renovation, the NCC has achieved two important aims at the same time: first, the renewal and protection in perpetuity of an important part of our architectural heritage; and second, the provision of appropriate new headquarters at the symbolic heart of the Capital. Indeed, the Chambers Block symbolizes the NCC as it approaches the end of the 20th century. With its feet firmly rooted in the past, a renewed and revitalized organization is ready to face the future.



The National Capital Commission

Creating Pride and Unity Through Canada's Capital Region

Mission

To create pride and unity by making the Capital a meeting place for all Canadians, by using the Capital to communicate Canada to Canadians and by safeguarding and preserving national treasures in the Capital.

The Evolution of Canada's Capital

The drive to build a great Capital began with the land — great cliffs of layered limestone at the confluence of three wilderness rivers, with dense forests, waterfalls and a wilderness silence broken only from time to time as traders passed back and forth of the Great River of the Outaouais. The challenge that faced the first citizens of the Capital in 1857 — and that has confronted planners and builders ever since — is to find meaningful ways to transform this extraordinary land into a Capital that represents every part of this huge and very diverse country.

From humble beginnings

Born in 1826 as a construction camp for the Rideau Canal project, Ottawa had grown into a rough little lumber town by 1857, the year it was chosen as the new capital of Canada. It had a population of 8,000 people at the time and a reputation for epidemics, riots and dirt. Even the construction of the Parliament Buildings in 1866 failed to establish

A Capital in the Making



1899 Ottawa Improvement Commission: first efforts.

Cleared industrial building from along the Rideau Canal. Set out Ottawa's first waterway park. Conceived a network of boulevards and scenic parkways.

1903 The Todd Plan: conceiving a "Green Capital."

Recommended the preservation of large natural parks and the laying out of a boulevard from Parliament Hill to Rideau Hall.

1915 The Holt Plan: the foundation stone.

Developed the first comprehensive plan for the Capital. Recommended a federal district with planning authority. Suggested planning controls and continuation of the park network.

1922 The Cauchon Report: building on past work.

Reiterated the need for a federal commission, reorganization of railway lines, the building of highways and development of parks.



1927 Federal District Commission: a regional vision.

Established as a regional planning body with the budget and authority to enact changes recommended in past reports.

Ottawa as a great city. Indeed, those grand neo-gothic buildings must have had an air of absurdity in their youth, standing tall and gracious amidst wooden shanties and unpaved streets, with cows grazing and pigs rooting at the foundations.

“Washington of the North”

Change was slow at first. Sir Wilfrid Laurier, when he arrived in the Capital in the 1880s, declared: “Ottawa is not a handsome city and does not appear to be destined to become one.” Nevertheless, Laurier was the first to realize the need and value of planning in order to build the kind of Capital that Canadians wanted and needed — especially as the country grew in size and significance. In 1896, Prime Minister Laurier told Canadians that — with the right kind of long-term, coordinated effort — Ottawa could become “the Washington of the North.” With those words, he inaugurated the Ottawa Improvement Commission (OIC) and a century of building and growth that has given us, in 1995, a Capital worthy of this great country.

“Beautifying” the Capital

The Ottawa Improvement Commission, from which the National Capital Commission is directly descended, had its work cut out for it at the turn of the century as it set out to beautify the Capital. As a first priority, it tore down the warehouses and lumberyards that lined the banks of the Rideau Canal and planted trees and flowers in their place. It also planned the first boulevards and scenic parks. Implicit in the activities of the OIC was the idea — an idea that still persists in 1995 — that a Capital differs from other cities in important ways and that, in order to

work, it must have public spaces that are beautiful, meaningful and available for public assembly and enjoyment.

Stretching out into the region

Laurier bequeathed his dream of a great Capital to a successor, William Lyon Mackenzie King. Originally from southwestern Ontario, King had spent most of his summers since 1900 in the Gatineau Hills of Quebec, not far from Ottawa, and he dreamed of a Capital that would be more than a city, that would be a region stretching out to both sides of the Ottawa River to encompass both of the founding cultures of Canada. Thus, in 1927, King sponsored the founding of the Federal District Commission to succeed the OIC: its mandate was similar, but its efforts were increasingly focused and coordinated. It had the budget and authority necessary to make real changes in the physical structure of the region, and its reach extended not just to Ottawa, but to a region of 2,330 square kilometres of territory in two provinces, a region that contained a microcosm of Canadian landscapes.

A distinctively Canadian Capital

Another of King's outstanding contributions brought Canada's Capital to the international forefront of urban planning. In 1936, King invited French planner, Jacques Gréber, to work in the Canadian Capital. Beginning work after the Second World War, Gréber and his associates brought out a report in 1950 that built on many earlier ideas but brought them together in new ways to lay out the blueprint of an efficient modern city that would also function as a distinctively Canadian — and "Green" — Capital.

1950 The Gréber Plan: "the most significant event."

Recommended rail relocation from central Ottawa and improved transportation, extension of park/parkway network, decentralization of government offices, shoreline restoration, creation of the Greenbelt and extension of Gatineau Park.



1958 National Capital Commission: ideas into action.

Canadian Parliament passed the National Capital Act. Established the National Capital Region (increased from 2,330 to 4,660 square kilometres) and the National Capital Commission to carry out the terms of the Gréber Plan (1950).

1988 Federal Land Use Plan: the symbolic Capital.

Parliament approved an expanded mandate for the National Capital Commission, one that would shift the focus of activity from land acquisition and development to land use and public programming.

A source of inspiration



These years of painstaking effort have given the NCC a legacy of outstanding public spaces. Today, the Commission owns approximately 10 percent — or 460 square kilometres — of the National Capital Region on behalf of the federal government. Its holdings include Gatineau Park, the Greenbelt and a variety of urban lands, as well as 258 kilometres of roads, paths and parkways, 41 bridges and more than 760 leased properties. The mission of the NCC today was implicit in the work of its predecessors. As the builder of the Capital in days past and now, as the keeper of the national shrines and the producer of nationally meaningful events, the NCC is continuing to fulfil a mission that began some one hundred years ago. During the evolution of the Capital, the early emphasis on the building of public spaces has yielded naturally to a second and equally important phase of the Capital's development — which is finding ways to use these wonderful spaces. Only in this way can we make the Capital work as a national meeting place and as a source of information, inspiration and pride to Canadians.

On Behalf of All Canadians

Crown Corporation Status

The NCC, as a federal Crown corporation, is an independent legal entity created by Parliament to pursue certain public policy objectives on behalf of all Canadians. Although the NCC functions more like a private-sector corporation than a government department, it is accountable to Parliament through the Minister of Canadian Heritage. Also, as a Schedule III Crown corporation under the *Financial Administration*

Act, the NCC is subject to the control and accountability regime as set out in the Act. The NCC is also guided by federal government policy in numerous areas such as: human resources, access to information and privacy, environmental assessment, heritage and archeological reviews and information management. The NCC also builds into its operating model the requirements for public consultation and the desirability for partnerships.

National Mandate

The National Capital Commission operates under the National Capital Act (1988), which gives it the following responsibilities:

- *to 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;*
- *to 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 quality of status of the official languages of Canada and the heritage of the people of Canada; and*
- *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 Symbolic Capital

Products and Services

The products and services delivered by the NCC, though they span an enormous professional range, are tied together by a single aim: to use NCC lands to create a meaningful Capital. Although activities at the Commission run the gamut from public programming and interpretation

all the way to construction and maintenance, they are unified by their various contributions to the mandate.

Urban planning

Land-use planning initiatives in partnership with other levels of government bring a consistent long-range "Capital" perspective to planning, management and protection of public lands in the National Capital Region.

Programming

Capital events and celebrations such as Canada Day, Winterlude and Cultures Canada help to bring the Capital to life.

Outreach and Visitor Services

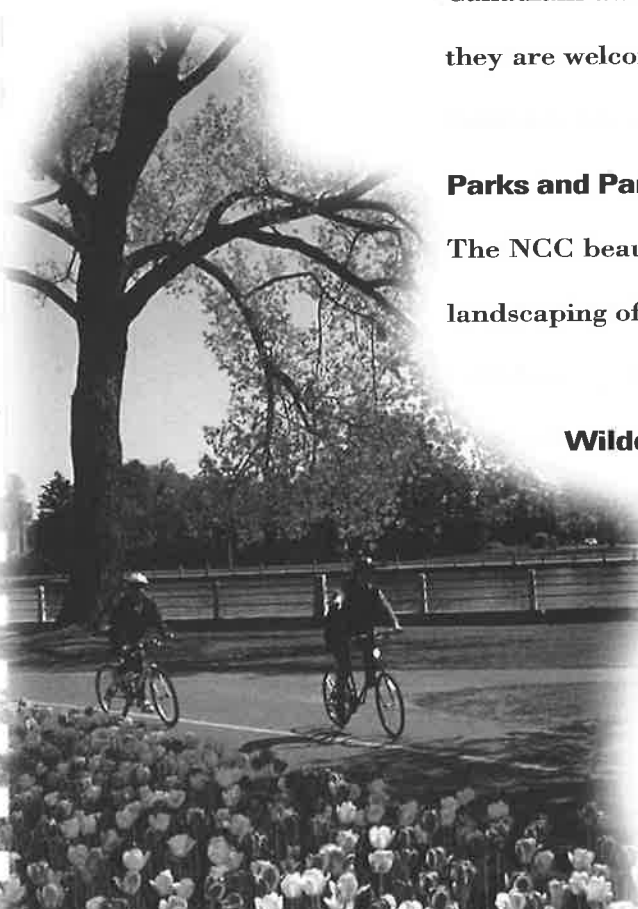
National conferences, broadcasts and destination marketing make Canadians aware of the Capital, and encourage them to visit. Once here, they are welcomed at the Capital Infocentre.

Parks and Parkways

The NCC beautifies the Capital through the creation, maintenance and landscaping of parks, parkways and recreational pathways.

Wilderness Conservation and Interpretation

The preservation and enhancement of Canadian nature in Gatineau Park and the Greenbelt are an important aspect of NCC programs.



Real Estate Management

The NCC manages a diverse portfolio of real property, including heritage properties and the six Official Residences in the National Capital Region.



Monuments and Public Art

The NCC interprets the Capital through the promotion of national monuments and public art.



In the Capital, For the Nation

Structure and Operations

NCC activities focus geographically on the National Capital Region. However, the Commission has a national, not a local mandate: its legally defined purpose is to use the Capital to inspire pride and promote unity among Canadians from coast to coast. The challenge is to find ways to reach out from the Capital to communicate with Canadians, to inform them, to involve them in the work of the Commission and to ensure that their ideas and experiences are reflected in the development of their Capital.

The apparent dichotomy between local activities and national purpose is addressed in the NCC's committee structure, which brings together experts from a range of professional backgrounds — architecture, programming, landscaping, art — from across Canada. By bringing their ideas and creativity to the Commission, by making available this rich body of expertise, the NCC is able to incorporate a range of Canadian experience into its work in the National Capital Region.

The Commission

As a federal Crown corporation, the NCC is governed by a Commission (its board of directors), composed of the Chair, Vice-Chair and 18 other members chosen from across Canada and appointed by order-in-council. The Commission must include thirteen representatives from Canada's regions, as well as five from the National Capital Region. (For a list of current Commission members, see page 46.) The Commission is responsible for planning 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.

Corporate Committees

Through its corporate by-laws, the Commission delegates certain of its powers to committees, each composed of Commission members.

Executive Committee Provides guidance to the Commission on corporate issues and strategies, approves projects and transactions and reviews the NCC's corporate plan, operating and capital budgets, financial statements and annual report.

Corporate Audit and Evaluation Committee Reviews audit and evaluation reports, the NCC's financial statements and the Auditor General's annual financial audits and special examinations every five years. This committee also approves schedules, plans and reports of internal audit and program evaluation activities.

Compensation Review Committee Reviews the performance and remuneration of the NCC Chair and Executive Vice-President and General Manager.

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 and are appointed by the Commission. The advisory committees make recommendations to the Commission and provide technical guidance to NCC staff 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 and Real Asset Management Advises on the use, development and management of public lands in the National Capital Region.

Advisory Committee on Design Advises on design proposals for federal lands in the National Capital Region, including architecture, public works, banners, signs and statuary.

The advisory committee system is central to achievement of the NCC mandate. However, efforts were made in 1993-94 to decrease the cost of this national network by reducing the number of advisory committee members from 44 to 31 and the number of annual meetings for all committees from 31 to 25.

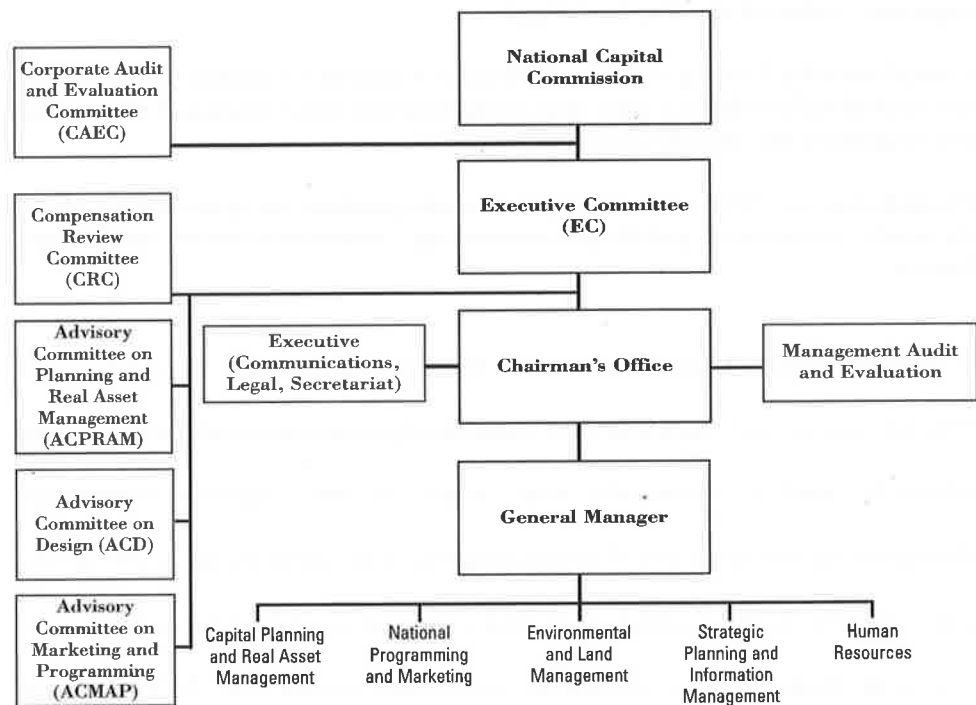
Executive Management Committee

The Chair, the Executive Vice-President and General Manager and Branch Vice-Presidents meet weekly to review major issues related to corporate planning and day-to-day operations and administration of the NCC.

Sectors and Branches

The NCC's management structure, like its committees, was rationalized in 1994-95. Operations at the NCC fall into four sectors or business lines: Planning the National Capital Region; Promoting and Animating the National Capital Region; Real Asset Management and Development; and Corporate Services. To operate efficiently and effectively along these business lines, the NCC has been organized into five branches as shown below.

The NCC at a Glance



The Year in Review

Strategic Objective No. 1:

Provide Leadership in the Promotion of National Pride and Unity Through the Capital The NCC works to promote partnership among public and private-sector agencies in the National Capital Region and takes the lead in generating a complex and exciting range of multi-partner activities — from land-use planning and public programming to destination marketing and the provision of visitor services. What these diverse activities have in common is that they are all designed to build a great and accessible Capital for all Canadians.

Performance Indicators

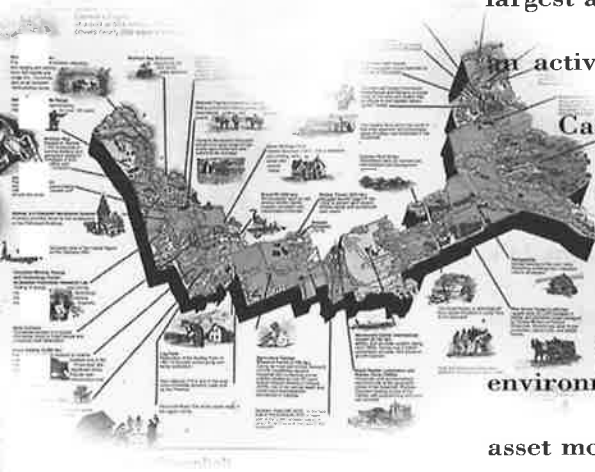
- *Completion by 1994 of a preliminary document detailing a shared regional vision of the Capital Region.*
- *Completion by 1996 of a revised Plan for Canada's Capital: to guide the use of federal lands in a way that complements other regional plans and encompasses the shared regional vision.*
- *Completion by 1994 of a multi-year, multi-partner programming plan: to guide integrated public programming, communications and marketing.*

A shared vision Canada's Capital Region is politically complex, with federal, provincial, regional and municipal governments all contributing strongly, and in their different ways, to the region's evolution. Recognizing the need for federal and regional agencies to work in the same direction, the Commission urged its various planning partners to reconcile their separate visions of the future Capital. The NCC not only

took the lead, it also brought a "Capital perspective" to bear on the process. The product of this shared endeavour was the publication, in fall 1994, of a preliminary document called "Toward a Common Vision."

Land-use planning Armed with a common vision of the future Capital, the NCC — again working with its regional partners — turned to integrating that vision into existing plans, so that the plans harmonize with each other and with a common idea of the future. In particular, the NCC began to revise its own guiding land-use plan — a *Plan for Canada's Capital*. Good progress has been made: the planning phase for the new plan is well underway, and a draft concept dealing with land-use principles and policies should be available by mid-1995.

The draft Greenbelt Master Plan The Greenbelt is one of the NCC's largest and most important assets, and the Commission wants it to play an active, rather than a passive, role in the development of a great Canadian Capital. In that context, a major achievement during the year was the publication, in March 1995, of a draft master plan for the Greenbelt. The plan addressed the need to harmonize Greenbelt and regional planning objectives for the environment and transportation, as well as the need to use this valuable asset more effectively for national purposes (e.g., enhancing the visitor appeal of the Greenbelt through rural attractions). The result was a series of innovative proposals that balance a number of complementary objectives, specifically: to enhance the protection of core natural areas; to increase the productivity of certain lands for farming, forestry and recreation; and to develop small areas for nationally significant research institutions that need the kind of setting the Greenbelt offers. Public consultation on the plan is currently underway.



Multi-Year Programming Plan Every year, dozens of independent agencies pour enormous energy and resources into public programming in Canada's Capital Region. In 1994-95, the NCC took the lead in bringing focus to these efforts by introducing a common theme — the International Year of the Family. The result was a series of related programs and events (including the Capital Family Rendez-Vous, the colourful and lively focal point for this activity, which involved the efforts and talents of some 20 different organizations). With the value of common themes and coordinated cross-Canada marketing clearly demonstrated in the summer of 1994, the partners went on with increased enthusiasm to lay the groundwork for years to come: they developed a multi-year, multi-partner programming plan with a series of common themes that will carry us through to the end of the century. Local organizations are also interested in getting involved in long-term planning, but their shorter planning horizons make it more challenging.

Real asset management Too many modern cities have paid the price of uncontrolled and disharmonious development. That is why Canada's Parliament appointed the NCC to guard against inappropriate design and land use in the Canadian Capital. The Commission has been authorized to examine all applications for design approval, land-use changes, realty transactions and demolitions affecting federal property in the region, rejecting those that are inappropriate or suggesting changes to make others acceptable. In 1994-95, the Commission continued to respond as quickly and effectively as possible to applications: 136 federal design submissions were approved, along with 96 federal land-use applications. Also, NCC staff participated on a number of inter-agency teams to ensure that federal interests were safeguarded on multi-partner projects.



Strategic Objective No. 2:

A CAPITAL FOR ALL SEASONS

A Pictorial Calendar of Events 1994-95



May *The Canadian Tulip Festival*

The NCC, as guardian of the tulips, supports this venerable Capital tradition, which began in 1951.



June to September *Reflections of Canada: Sound and Light Show*

The story of Canada is told every summer on Parliament Hill in voices, music and lights.

Develop Innovative Programming and Messages It is part of the NCC's mission to bring the magnificent public spaces of the Capital to life with programming designed to bring Canadians together and provide them with inspiration and meaningful information about themselves and their fellow citizens.

Performance Indicators

- *Increased impact and reach of NCC events and programs, particularly for Canadian visitors to the National Capital Region.*
- *Increased ratio of visitors to residents at Canada Day, Cultures Canada and Winterlude.*
- *Maintenance of broadcast audiences for Canada Day.*
- *Increased awareness and appreciation of the Capital.*
- *Increased number of activities and programs in the Capital.*

Increasing our national reach In an effort to make Canadians more aware of the Capital, the Commission sponsored a National Capital Awareness Campaign in 1994-95, with a 90-second promotion, called "Where in the World?", appearing in more than 600 Cineplex-Odeon movie theatres across Canada; over a million printed pieces were distributed to support the visual promotion, and a subsequent survey showed that 80 percent of respondents agreed, or strongly agreed, that seeing the advertisement had made them more proud of the Capital. At the same time, a new, cost-effective marketing campaign achieved close to 200 million impressions. Relationships with media partners also strengthened over the year with all kinds of vibrant new programs: an outstanding example was the sparkling new closing event at Winterlude,

sponsored by MuchMusic and MusiquePlus. This year, the success of NCC marketing campaigns was recognized nationally and internationally in the form of two major awards: an *Award of Merit* from the International Association of Business Communicators for the 1994 winter marketing campaign; and a national *Award of Merit* from the Information Services Institute for the winter public service announcement on television.

Increasing attendance at national events Though 1994 figures are not available on the ratio of visitors to residents for Canada Day or Cultures Canada, it is known that attendance at Canada Day increased overall (from 339,000 visits in 1993 to 350,000 in 1994). The Canada Day broadcast audiences declined slightly in 1994 (from 1.8 million to 1.5 million people), but market share was maintained.

A thriving visitor destination The Capital continues to thrive as a visitor destination, all year long. Winterlude clearly achieved the goals set for it in 1994-95: the ratio of visitors to residents had grown to 30 percent, as had overall attendance (from 633,000 in 1994 to 670,000 in 1995). Attendance figures for the Greenbelt and Gatineau Park (1 million and 1.2 million visitors respectively over the entire year) show that they too are playing a role in establishing Canada's Capital Region as a notable destination both in summer and winter (with hiking, cycling and cross-country skiing).

National encounters The year 1994-95 was one of significant cross-country exchange. During the lighting ceremony for the *Christmas Lights Across Canada Program*, eight premiers delivered videotaped messages to the crowds waiting on Parliament Hill for the lights to come on; also, a Christmas tree decorated with hundreds of ornaments hand-made by



**July 1
Canada Day**

This is the flagship event of the year, with more than 350,000 people attending in person, and 1.5 million participating via broadcasts.



**July to September
Cultures Canada**

Partnership in action! It results in a summerlong array of multi-cultural performing arts on Capital stages, indoors and out.



September/October

Fall Rhapsody

Canada in the fall!
Combining sport, art and
ecological exhibits in the
beautiful Gatineau Hills.



December

***Christmas Lights Across
Canada***

Linking the country with
light. The lights come on
Parliament Hill and at
legislative capitals across
the country.

Canadian youth stood on the Hill, while lights sent from the Capital were helping to brighten provincial capitals. *The Tulip Tribute: Shore to Shore* encouraged Canadians to plant a tulip in memory of someone near to them who had contributed to the Second World War. All in all, 85,000 tulips were planted across the country. These tulips were matched by a similar number planted in a commemorative bed in the Capital. Winter 1995 was also a time of family encounters in the Capital. With the support of our partners, the NCC brought twelve families — one from each province or territory — to the National Capital Region in February to take part in an innovative new national program called the *Capital Family Experience*. These families stayed with local residents, participated in Winterlude events, toured the region, met their members of Parliament and returned home, according to their glowing thank-you letters, with an expanded sense of Canada as a nation. This landmark event promises not only to continue and expand in years to come, but also to serve as a model for other trans-national programming.

Partnership, shared themes and multi-year planning In 1994, the NCC took the lead in developing programming to celebrate the United Nations International Year of the Family. Working with 20 partners around the common theme of the family, the NCC opened the *Capital Family Rendez-Vous* at 453 Sussex Drive. The imaginative exhibits, games, workshops and entertainment at the Rendez-Vous proved very popular, with 40,000 visitors going through its doors in summer 1994. The blockbuster success of this common programming theme in 1994 has already led to the adoption of a number of themes for coming years. For example, in summer 1995, the theme of the International Capital has been adopted, and a range of events are already taking place, including a ban-

ner program to celebrate the 50th anniversary of the United Nations, an exhibit featuring Canada's role in the Liberation of the Netherlands and an exhibit on Canada's place in the world at a beautiful new site at Rideau Falls. Next year, the theme will be Youth Action. In the year 2000, the NCC and its partners will join forces to celebrate the Millenium.

Opening a dialogue with visitors The NCC is anxious to know what Canadians want from their programs and plans to develop the Capital. To that end, interactive kiosks were installed this year at the Visitor Centre and on Parliament Hill, and questionnaires were distributed to obtain public feedback. The NCC's new Public Contact System (PCS), which was being actively developed in 1994-95, will be a useful tool in the future to track public reaction to NCC activities. The enhancement of visitor services in the Capital is tied to the renewal of the NCC's "Capital Infocentre," under development in 1994-95 and scheduled to reopen in 1996.



January to March
Cross-country skiing,
Gatineau Park and the
Greenbelt

Unparalleled in the world! Well over 200 miles of cross-country ski trails lead through forest and over mountain. In summer, these same trails are used by hikers and cyclists.



February
Winterlude

Celebrating the true north! A look at Canadian winter traditions in sports and art show what makes this country unique.

Strategic Objective No. 3:

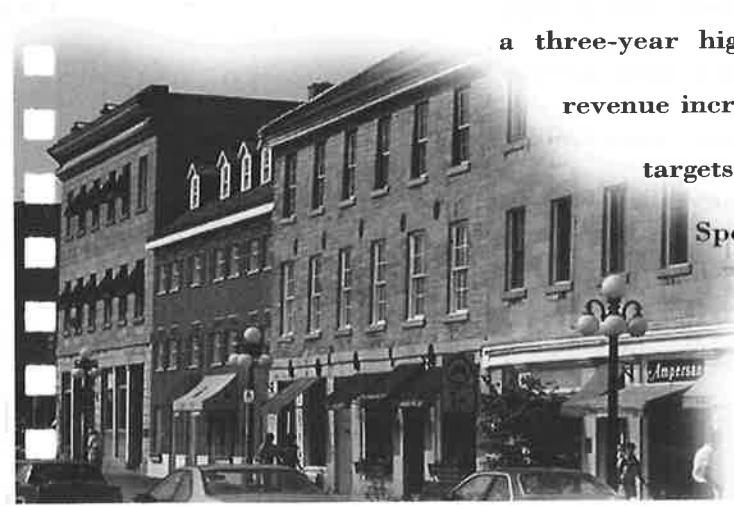
Implement a Responsible Business Approach to NCC Operations The NCC, like other government organizations in the 1990s, has been asked to review its operations and to reduce costs wherever possible. To respond to this requirement, the Commission has evaluated the resources and assets available to it as tools to achieve its mission and has identified new and more efficient ways of carrying out its work on behalf of the Canadian public.

Performance Indicators

- *Achievement of set revenue targets:*
 - *increased rental and property development revenue over 1993-94 levels (revenue target \$9.65 million);*
 - *achievement of sponsorship and user fee revenue targets (\$1.0 million);*
 - *achievement of land sales as per target in the Real Asset Management Strategy: \$12.3 million (1993), \$4.6 million (revised 1994).*
- *Delivery of the annual component of the Multi-Year Capital Construction Program (\$15.3 million).*
- *Decreased net administrative costs (excluding cost of headquarters accommodation) by 16 percent by 1995-96 (from \$21.7 million to \$18.2 million).*

Surpassing revenue targets Operating revenues — which combine income from rentals, development, user fees and sponsorship — hit a three-year high in 1994-95. Rental and property development revenue increased over 1993-94 levels and significantly surpassed targets (\$11.3 million compared to a targeted \$9.65 million).

Sponsorship and user fee revenues also surpassed targets (\$1.6 million compared to an anticipated \$1.0 million).



Sponsorship results were especially encouraging as they exceeded 1993-94 results by 41 percent. These positive results are very welcome, especially after a long period of declining income. Clearly, the last few years of coordinated effort and an increasingly entrepreneurial approach is beginning to pay off.

Optimizing land revenues, minimizing costs It is expected that the NCC's efforts as part of the Program Review exercise (an in-depth review of all federal government operations initiated by the Privy Council Office) will significantly reduce the cost of asset management and administration in the future by continuing the trend to increased revenues and by reducing the net cost of program lands. However, changes will be implemented in a controlled manner and without sacrificing essential assets.

Rehabilitation and maintenance responsibilities The 1994-95 Multi-Year Capital Construction Plan was delivered largely as planned: that is, over 265 projects at a cost of \$15.3 million. In addition, an agreement between the NCC and the Regional Municipality of Ottawa-Carleton funded the rehabilitation of a portion of the Ottawa River Parkway. During the past year, the Commission initiated Phase I of the Champlain Bridge reconstruction project with the formation of a multi-disciplinary project team and planning for an environmental assessment. The NCC had intended to divest itself of maintenance responsibility for 23 parcels of land owned by various federal departments; however, recognizing that the move would not result in any real saving to the federal government, the Commission now proposes to retain maintenance responsibility, while applying Program Review principles to ensure that work is done in a cost-effective manner.



Divestiture of non-essential lands In its Corporate Plan for 1993-94, the NCC had originally proposed to divest itself of \$12.3 million worth of land; however, market conditions and fiscal restraints affected the buying power of potential clients and made it impossible to achieve this target; consequently, the target was revised downward to \$4.6 million for 1994-95: in the end, lands worth \$4.45 million were disposed of during the fiscal year. An agreement in principle has been reached with the Regional Municipality of Ottawa-Carleton for the exchange of the Mackenzie King and Laurier Avenue bridges for certain federal lands. The agreement in principle is subject to approval by each organization.

New support from partners, volunteers and sponsors A key measure of how well the NCC is doing its work comes from the kind and level of support and investment it is able to generate. According to this indicator, the year 1994-95 was clearly an unqualified success. The 20-partner *Capital Family Rendez-Vous* and the *Rideau Canal Skateway* were outstanding examples of the NCC's ability to recruit new programming partners. The Commission also set up a permanent committee with 12 municipalities to implement the Recreational Pathway Strategy, and it completed the first section of the Luskville Trail in cooperation with the municipality of

Pontiac. In terms of sharing maintenance responsibilities with regional partners, snow clearing of the Lac des Fées Parkway and part of Gatineau Parkway was transferred to the City of Hull. Volunteers also played an important part in reducing costs to the NCC through the contribution of over 18,000 hours of service at, for example, Gatineau Park, Canada Day and the Mackenzie King Estate. At Winterlude alone, volunteers contributed 7,756 hours working as individuals and in groups at every stage of the project.



A responsible business approach In 1994-95, the NCC made changes that have resulted in a greatly streamlined organization and one that is already operating at significantly reduced cost. The Capital Planning and Real Asset Development branches were amalgamated to form the Capital Planning and Real Asset Management Branch; also, the Marketing and Communications and National Programming branches were amalgamated to form the National Programming and Marketing Branch. These changes have resulted in a more efficient and effective operation. In 1994-95, the NCC was also faced with the continuing need to find new and more efficient ways of doing business. In order to meet this challenge without suspending any important services, the NCC introduced certain new business approaches over the year. Recognizing that employees are a key element in any major shift in corporate culture, the NCC — which is now a separate employer — initiated a series of training programs. The objective was to involve NCC employees as agents of change, to empower them, to orient them to new responsibilities and to help them to adopt new practices (for example, in procurement and human resources services). Throughout the Commission, new methods of document management resulted in a 71 percent improvement in the cost of managing information holdings. As a result of all these efforts, combined with a sharpened focus on key activities, the Corporate Services sector managed to reduce its resource requirements by 16 percent in 1994-95 over the previous year (\$18.1 million compared to \$21.7).

The Future

Balancing action and economy

Clearly, a great deal has been achieved in the past year, even under difficult conditions. The future promises to be equally challenging and successful. As a Crown corporation responsible to Parliament, the NCC shares in the fiscal restraints now facing the government, and it has already mapped out a major restructuring of the Commission in order to reduce future operating costs. However, the NCC intends to support government policy while fulfilling its responsibilities as planner, programmer and custodian of the Capital. In order to strike a balance between action and economy, the NCC has addressed the necessity to change in an innovative fashion so that it may continue to serve the public and deliver its mandate in keeping with the new demands — and the new values — of the 1990s.

A streamlined operation

By the year 1999, when the National Capital Commission celebrates its effective centennial, the organization will be half its present size. To achieve this streamlining without surrendering effectiveness, the NCC intends to apply a strategy that combines cost cutting and revenue generation, together with a greatly sharpened focus on essential assets and activities. In particular, the Commission intends to contract out property management and land management functions, to greatly reduce administrative and support services and to augment net revenues wherever possible. The Commission will encourage regional and municipal

governments to share in the cost of maintaining assets that are valuable to the local community. Finally, high-impact, four-season programming will continue to draw the support of major corporate sponsors, regional partners and Canadians at large.

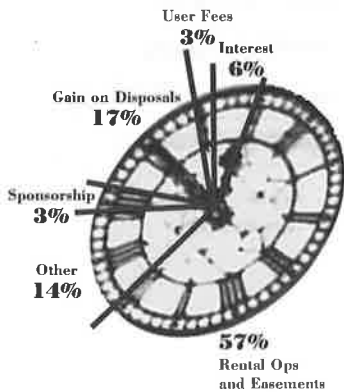
The continuing mission

The National Capital Commission was founded in 1958, but its mission — to build a great Capital — really began in 1899, when the Ottawa Improvement Commission started to tear down warehouses along the Rideau Canal. Over the years, there has been a great deal of change, and the Capital has developed from a collection of shanties into a great region. One thing remains constant: the link between the land and the people, and between the public spaces that exist in the Capital Region and the meaningful way they are used on behalf of the Canadian people. That essential connection between the physical capital and its symbolic function drove the efforts of past planners; it will continue to shape the work of the National Capital Commission in years to come.

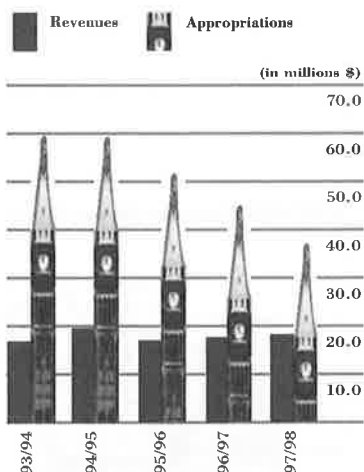


Financial Performance Review

Sources of Revenue



Revenues to Operating Appropriations



N.B. Revenues exclude net gains on disposals of land, buildings and equipment

Revenues

Operating revenues Commission operating revenues reached a three-year high in 1994-95, totalling \$24.0 million or a \$2.5 million (11.3 percent) increase over 1993-94. As shown in the chart opposite, inflows from rental and easement activities continue to be the most important source of NCC operating revenues (\$13.5 million). Revenues in this area increased by \$1.5 million over 1993-94, due in large part to revenues from development projects. The Commission also experienced notable increases in both sponsorship and interest revenues. Sponsorship revenues reached an all-time high and surpassed 1993-94 results by 41 percent. These results materialized after several years of concerted effort to attract sponsors for NCC events, such as Canada Day. Increased interest revenue over 1993-94 can be attributed to generally higher rates, as well as improved cash management practices.

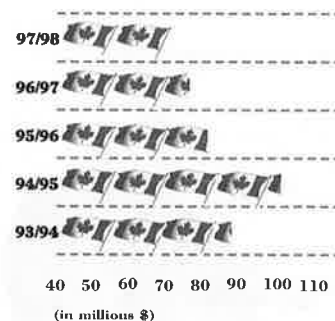
Operating revenues play a very important role in helping to finance NCC programs. Over the past five years, they have averaged 32 percent of operating appropriations (excluding Grants & Contributions). As shown in the chart opposite, their importance will continue to increase as government appropriations decline. By 1997-98, the ratio of revenues to operating appropriations (excluding Grants and Contributions) is forecast to reach 49 percent.

Land sales As part of the federal government's property rationalization program, the Commission sold property for \$4.45 million in 1994-95, realizing a net gain on disposal of \$4.0 million. These results are

consistent with those of the previous fiscal year.

Parliamentary appropriations Parliamentary appropriations for 1994-95 totalled \$102.1 million, compared to \$89.5 million for 1993-94. Of the total increase in appropriations, 9.7 million was needed to help fund a one-time settlement of past liabilities with respect to the Quebec Road Agreement, as well as increased expenditures in the area of Grants In Lieu of Taxes (GILT). As a result of the 1995 federal budget, NCC appropriations will drop significantly, starting in fiscal year 1995-96, reaching \$71.0 million by 1997-98.

NCC Total Appropriations



Expenses

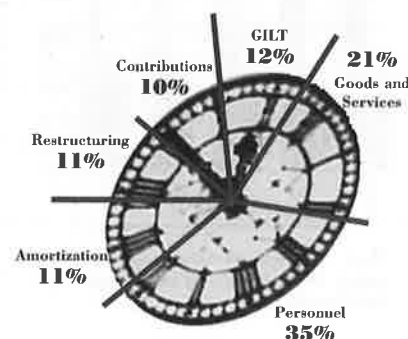
Total expenses for 1994-95 amounted to \$128.2 million, compared to \$111.3 million in 1993-94. Expenditure increases were driven by the following three factors (the first two being non-recurring):

- *employee restructuring costs due to government downsizing (\$13.8 million);*
- *settlement of past liabilities for the Quebec Road Agreement (\$9.7 million); and,*
- *impact of market value assessment on the NCC's GILT program (\$2.0 million).*

Increased expenditures for the above items were partially offset by a \$6.8 million reduction in the NCC's salary budget and a \$1.8 million reduction in goods and services spending. Excluding the non-recurring items identified above, expenditure levels actually dropped by \$6.6 million over the previous year.

The breakdown of the NCC's 1994-95 expenses by cost area is illustrated in the chart opposite. The major operating items were salaries

1994/95 Expense Breakdown



and benefits (\$45.1 million), goods and services (\$27.3 million), amortization (\$13.8 million) and restructuring costs (\$13.8 million). Contributions to other levels of government or authorities totalled \$13.1 million. Expenditures on Grants In Lieu of Taxes (GILT) totaled \$15.0 million. As mentioned above, the GILT increase was driven largely by the introduction of Market Value Assessment in the Province of Ontario.

Financial Statements 1994-1995

Management Responsibility For Financial Reporting

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

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

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

The members of the Commission carry out their responsibilities for the financial statements principally through the Corporate Audit and Evaluation Committee, which consists of members of the Commission only. The Corporate Audit and Evaluation 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 and without the presence of management.


Marcel Beaudry
Chairman


Robin Young
Vice-President, Strategic Planning and Information Management

June 16, 1995

Auditor's Report



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

To the Minister Designate of Canadian Heritage

I have audited the balance sheet of the National Capital Commission as at March 31, 1995, and the statements of operations, equity and changes in cash resources for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and 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, 1995 and the results of operations and the changes in cash resources for the year then ended in accordance with generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

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

A handwritten signature in cursive script, reading "L. Denis Desautels".

L. Denis Desautels, FCA
Auditor General of Canada

Ottawa, Canada
June 5, 1995


National Capital Commission**Balance Sheet**

as at March 31, 1995

	1995	1994
	(thousands of dollars)	
Assets		
Current		
Cash and short-term deposits (Note 3)	\$ 18,173	\$ 19,929
Accounts receivable		
- Federal government departments and agencies	1,688	1,931
- Tenants and others	2,282	3,275
Operating supplies, small tools and nursery stock	571	566
Prepaid expenses	2,412	1,690
	25,126	27,391
Cash restricted as to use (Note 4)	3,862	4,068
Land, buildings and equipment (Note 5)	348,722	338,392
	\$377,710	\$369,851
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 32,492	\$ 27,695
Holdbacks and deposits from contractors and others	1,576	1,020
	34,068	28,715
Long-Term		
Accrued employee termination benefits	4,083	6,378
Unsettled expropriations of property	711	694
Deferred insurance proceeds (Note 4)	3,862	4,068
Deferred cost of operations recovery	4,504	-
Restructuring cost	2,562	-
	15,722	11,140
Equity of Canada	327,920	329,996
	\$377,710	\$369,851

Major commitments and contingencies (Notes 7 and 8)

Approved by the Commission

Marcel Beaudry
ChairmanAndré J.C. Dupont
Chairman, Corporate Audit
and Evaluation Committee

National Capital Commission
Statement of Operations
for the year ended March 31, 1995

	1995	1994
	(thousands of dollars)	
Income		
Rental operations and easements	\$ 13,544	\$ 12,046
Interest	1,474	868
Net gain on disposal of land, buildings and equipment	3,984	3,881
Sponsorship (excluding goods and services in kind)	835	593
User access fees	802	966
Other fees and recoveries	3,402	3,249
Parliamentary appropriations	86,674	76,818
	110,715	98,421
Cost of Operations (Note 6)		
Planning the National Capital Region	2,598	3,287
Promoting and Animating the Capital Region	13,634	15,277
Real Asset Management and Development	72,785	66,545
Corporate Services	25,343	26,150
Restructuring cost	13,828	-
	128,188	111,259
Net Cost of Operations ¹	\$ (17,473)	\$ (12,838)

1. Analysis of Funding The Cost of Operations

	1995	1994
	(thousands of dollars)	
Net Cost of Operations	\$ (17,473)	\$ (12,838)
<i>Expenses not requiring funding</i>		
Amortization	13,810	13,646
Cost of operations recovery	439	-
Net gain on disposal of land, buildings and equipment	(3,984)	(3,881)
Transfer from disposal of land (Note 3)	2,079	1,591
- Disposal expenses	293	416
- Interest revenue	(203)	(210)
Prior year commitments carry-over	(3,044)	(1,768)
Excess of Cost of Operations Over Funding	\$ (8,083)	\$ (3,044)

National Capital Commission
Statement of Equity
for the year ended March 31, 1995

	1995	1994
	(thousands of dollars)	
Balance at Beginning of Year	\$ 329,996	\$ 330,151
Net cost of operations	(17,473)	(12,838)
Parliamentary appropriations to acquire and improve land, buildings and equipment	15,397	12,683
Balance at End of Year	\$ 327,920	\$ 329,996

National Capital Commission
Statement of Changes in Cash Resources
for the year ended March 31, 1995

	1995	1994
	(thousands of dollars)	
Operating Activities		
Net cost of operations	\$ (17,473)	\$ (12,838)
<i>Items not involving cash</i>		
Amortization	13,810	13,646
Net gain on disposal of land, buildings and equipment	(3,984)	(3,881)
Net change in non-cash working capital balances related to operations	5,862	5,923
Net change in cash restricted as to use and long-term liabilities	4,788	261
	3,003	3,111
Investing Activities		
Acquisitions and improvements to land, buildings and equipment	(24,725)	(16,496)
Financing Activities		
Parliamentary appropriations to acquire and improve land, buildings and equipment	15,397	12,683
Proceeds on disposal of land, buildings and equipment	4,569	4,558
	19,966	17,241
Increase (Decrease) in cash and short-term deposits	(1,756)	3,856
Beginning of year	19,929	16,073
End of year	\$ 18,173	\$ 19,929

Notes to Financial Statements

as at March 31, 1995

1. Authority and Objectives

The National Capital Commission was established in 1958 by the *National Capital Act*. The Commission is an agent Crown corporation without share capital named in Part I of Schedule III to the *Financial Administration Act*. The objects and purposes of the Commission as stated in the *National Capital Act* as amended in 1988, are to:

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

(b) organize, sponsor or promote such public activities and events in the National Capital Region as will enrich the cultural and social fabric of Canada, taking into account the federal character of Canada, the equality of status of the official languages of Canada and the heritage of the people of Canada.

The powers of the Commission as they were extended in 1988 also enable the Commission to "coordinate the policies and programs of the Government of Canada respecting the organization, sponsorship or promotion by departments of public activities and events related to the National Capital Region".

The Commission is also responsible for the management and maintenance of the Official Residences located in the National Capital Region.

2. Significant Accounting Policies

(a) Land, Buildings and Equipment Land, buildings and equipment are generally recorded at historical cost. Property acquired at nominal cost or by donation is recorded at market value at time of acquisitions, except for properties of historical significance whose market value cannot be reasonably determined. These are recorded at nominal value. Artifacts donated to the Canadiana Fund are recorded at nominal value. Property acquired by exchange is recorded at the carrying value of the assets disposed of in the transaction. Improvements that extend the useful life of buildings and equipment are recorded at cost.

(b) *Amortization* Amortization of assets in use is charged to operations in equal annual amounts based on the cost of the assets, their estimated useful life and their final salvage value. Useful life of assets is estimated as follows:

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

(c) *Operating Supplies, Small Tools and Nursery Stock* Operating supplies and small tools are carried at cost. Nursery stock is valued at estimated cost.

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

(e) *Employee Termination Benefits* Severance pay generally accrues to employees over their service period, and is payable on their separation or retirement. The liability for these benefits is recorded in the accounts as the benefits accrue to the employees.

(f) *Parliamentary Appropriations* Parliamentary appropriations for operating expenditures and grants and contributions to other levels of government and other authorities are included as income. Parliamentary appropriations to acquire and improve land, buildings and equipment are credited to equity of Canada.

(g) *Workers' Compensation* The Commission assumes all risks for workers' compensation claims. The cost of claims resulting from injuries on duty are recorded in the years when compensation payments are due.

(h) *Sponsorship* The Commission enhances programming through financial, promotional and in-kind contributions from sponsors. Except for cash, no value is included in the financial statements for goods and services contributed by sponsors.

3. Cash and Short-Term Deposits

Cash and short-term deposits at year-end amounted to \$18.2 million. Included in this cash balance are:

(a) Cash donations received for the Canadiana Fund in the amount of \$29.7 thousand;

(b) Funds, that are restricted, in the amount of \$8,943 thousand, as follows:

(i) funds relating to a 1990 long-term lease transaction that, pursuant to Governor in Council authority, have been restricted for the acquisition of environmentally sensitive lands;

(ii) funds generated by the disposal of surplus properties that may be used to acquire real property or to support other major programs, as may be authorized by Treasury Board and Governor in Council;

(iii) details of transactions are highlighted in the following analysis:

	Environmentally Sensitive Lands	Others	Total
(thousands of dollars)			
Cash available at beginning of year	\$ 1,772	\$ 6,273	\$ 8,045
Proceeds on disposal	—	4,451	4,451
Acquisition/Disposal expenses	—	(482)	(482)
Interest	40	163	203
Acquisitions	—	(579)	(579)
Transfer to capital budget	—	(616)	(616)
Transfer to operating budget	—	(2,079)	(2,079)
Cash available at end of year	\$ 1,812	\$ 7,131	\$ 8,943

4. Cash Restricted as to Use

The Commission has segregated funds received in respect of a claim for damages arising from injuries sustained in an accident by an NCC employee. These funds have been paid to the Commission as it will be responsible to pay the continuing cost relating to this claim settlement.

5. Land, Buildings and Equipment

	1995			1994
	Historical cost	Accumulated amortization	Net book value	Net book value
	(thousands of dollars)			
<i>Land and Buildings</i>				
Greenbelt	\$ 67,586	\$ 19,830	\$ 47,756	\$ 47,691
Gatineau Park	43,916	7,900	36,016	33,188
Parkways ⁽³⁾	102,388	47,591	54,797	56,699
Parks	33,968	16,610	17,358	15,873
Bridges and approaches	31,779	19,227	12,552	12,473
Historical sites	33,505	17,997	15,508	16,115
Recreational facilities	23,924	12,894	11,030	11,021
Rental properties	129,767	14,676	115,091	110,311
Development properties	24,807	3,251	21,556	21,570
Unsettled expropriations	711	-	711	694
Administrative and service buildings	16,945	10,654	6,291	6,330
	509,296	170,630	338,666	331,965
Less: Provision for transfers ⁽¹⁾	1,838	-	1,838	1,838
Less: Provision for environmental clean-up ⁽²⁾	-	-	-	650
	507,458	170,630	336,828	329,477
<i>Equipment</i>				
Machinery and equipment	4,864	2,762	2,102	2,043
Office furniture and equipment	3,563	946	2,617	135
Vehicles	4,561	2,916	1,645	1,932
Computer and commu- nications equipment	15,394	10,024	5,370	4,472
Antiques and works of art	1,702	1,542	160	333
	30,084	18,190	11,894	8,915
Total	\$537,542	\$188,820	\$348,722	\$338,392

1. Provision for transfers pertains to property to be transferred in accordance with agreements with the Province of Québec. This includes lands to be given free of charge for the approaches to the Macdonald-Cartier Bridge and the transfer for \$1 of lands to be used as a right-of-way for Highway 550.

2. Provision for environmental clean-up at Camp Fortune, a prior year property acquisition. This work was completed during the current year.

3. During the year, the Commission incurred expenditures of \$1.9 million for the rehabilitation of the Ottawa River Parkway. These expenditures have been netted against a contribution of \$1.9 million received for this project.

6. Cost of Operations

(a) Summary of Expenses by Major Classification

	1995	1994
	(thousands of dollars)	
Salaries and employee benefits	\$ 45,094	\$ 51,889
Goods and services	27,264	29,032
Grants in lieu of municipal taxes	15,047	12,972
Contributions	13,145	3,720
Amortization	13,810	13,646
Restructuring costs	13,828	-
	\$128,188	\$111,259

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

Planning the National Capital Region To plan for and control the use of federal lands in the National Capital Region (NCR), which includes coordinating and ensuring high quality design and development.

Promoting and animating the National Capital Region To increase awareness of the Capital outside the NCR through national marketing plans and activities which increase understanding about the Capital and its symbolic role, and to provide opportunities to bring Canadians together in the Capital and increase their understanding, via coordination of the visitor experience, celebrations and special events, and programs that present the past, present and future of the country.

Real Asset Management and Development To safeguard and preserve the Capital and its assets for future generations via the development and efficient, effective management of assets in accordance with their importance to the Capital and the NCC mandate.

Corporate Services To provide management with required services, advice and information, ensure Commission assets are safeguarded, and ensure measures are in place that promote the most efficient, productive use of resources.

(c) *Restructuring Costs* As a result of the February 27th, 1995 Federal Budget, NCC appropriations will be reduced by \$21.4 million over the next three years. This reduction will be achieved through a significant reduction of the Commission's workforce. Costs of employee separation benefits are estimated at \$13.8 million over the next three years and have been expensed in the current year. The Commission has requested funding from the central reserve to support the cost of restructuring; the full extent of funding is pending final approval from Treasury Board.

7. Major Commitments

(a) The Commission is committed to contribute to the Province of Quebec, one-half of the cost of a road network within the Quebec portion of the National Capital Region. The Commission's remaining commitment to be paid over future years is estimated at \$74.4 million but is payable only when funding is approved by the Treasury Board of Canada. As of March 31, 1995, expenditures and payments have totalled \$179.4 million.

(b) The Commission has entered into agreements for computing services, leases of equipment and operating leases for office accommodations. The agreements, showing different termination dates with the latest ending in 2019, total \$125.7 million. Minimum annual payments under these agreements for the next five years are approximately as follows:

	(thousands of dollars)
1995-1996	\$4,348
1996-1997	4,348
1997-1998	4,211
1998-1999	3,969
1999-2000	4,066

(c) The Province of Quebec has expropriated certain lands in the Ville de Hull on behalf of the Commission. An amount of \$1.25 million will be payable in exchange for appropriate title documents.

(d) The Commission has entered into contracts for capital expenditures estimated to cost approximately \$2.0 million. Payments under these contracts are expected to be made in 1995-96.

8. Contingencies

(a) *Claims* Claims have been made against the Commission totalling approximately \$14.4 million for alleged damages and other matters. The final outcome of these claims is not determinable and accordingly these items are not recorded in the accounts. In the opinion of management, the position of the Commission is defensible. Settlements, if any, resulting from the resolution of these claims will be accounted for in the year in which the liability is determined.

(b) *Agreement with the Province of Ontario* In 1961, the Commission entered into an agreement whereby the Province of Ontario established and maintains 2,761 hectares (6,820 acres) of forest. When the agreement expires in 2011, or is terminated, the Commission will reimburse the Province for the excess of expenses over revenues, or the Province will pay the Commission the excess of revenues over expenses. As per the latest report from the province, at March 31, 1994, cumulative expenses exceeded cumulative revenues by \$1.2 million, and are not reflected in the accounts of the Commission.

(c) *Environmental Protection* The Commission has conducted a preliminary analysis that has identified certain properties that qualify for potential decontamination. The extent of the contamination, cost of clean-up and funding requirements cannot be reasonably assessed until further on-site testing is completed.

9. Related Party Transactions

The Commission is related in terms of common ownership to all Government of Canada created departments, agencies and Crown corporations and is mainly financed by the Parliament of Canada. In addition to the related party transactions described below and those disclosed elsewhere in these financial statements, the Commission also enters into transactions with Crown entities in the normal course of business.

(a) *Canada Museums Construction Corporation Inc.*

The Commission permitted the Canada Museums Construction Corporation Inc. to construct the Canadian Museum of Civilization on Commission lands. The Commission is in the process of transferring the lands in question to Public Works and Government Services Canada in exchange for other properties of equal value.

(b) *Public Works and Government Services Canada*

Public Works and Government Services Canada acts as an agent for the Commission with respect to expropriation of properties. Fees charged are based on standard rates set by Public Works and Government Services Canada. The Commission has also entered into an agreement with Public Works and Government Services Canada whereby the latter will, with respect to the Official Residences, provide certain property services at rates established with the Commission and approved by Treasury Board.

National Capital Commission
Supplementary Financial Information
Schedule of Land and Buildings at Amortized Values
as at March 31, 1995

	1995	1994
	(thousands of dollars)	
Greenbelt properties	\$ 47,756	\$ 47,691
Gatineau Park	36,016	33,188
Parkways		
Confederation Boulevard	13,703	14,091
Ottawa River Parkway	9,701	10,079
Rockcliffe Parkway	8,740	9,321
Aviation Parkway	5,891	6,046
Airport Parkway	3,286	3,542
Voyageur Parkway	3,076	3,094
Colonel By Drive	1,739	1,842
Philémon-Wright Parkway	1,118	1,118
Other parkways - Québec	2,535	2,616
Other parkways - Ontario	5,008	4,950
Total Parkways	54,797	56,699
Parks		
Rideau River Park	2,484	2,489
Brewery Creek	1,494	1,600
Parliament Hill Promenade	1,786	1,505
Du Portage Park	750	877
Victoria Island	1,179	1,266
Taché Park	835	902
Parc du sentier de l'île	596	635
Commissioner's Park	702	747
Vincent Massey and Hog's Back Parks	827	809
E.B. Eddy Park	326	368
Other parks - Québec	1,469	1,427
Other parks - Ontario	4,910	3,248
Total Parks	17,358	15,873
Bridges and Approaches		
Portage Bridge	1,900	2,415
Champlain Bridge	2,650	2,508
Macdonald-Cartier Bridgeheads	1,574	1,574
Deschênes-Britania Approach	2,048	2,048
Hog's Back Bridge	345	390
Other bridges	4,035	3,538
Total Bridges and Approaches	12,552	12,473

Supplementary Financial Information
Schedule of Land and Buildings at Amortized Values
as at March 31, 1995

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	1995	1994
	(thousands of dollars)	
Historical Sites	\$ 15,508	\$ 16,115
Recreational Facilities	11,030	11,021
Rental Properties	115,091	110,311
Development Properties	21,556	21,570
Unsettled Expropriations	711	694
Less: Provision for Future Transfer of Property per Agreements	(1,838)	(1,838)
Less: Provision for Environmental Clean-up	-	(650)
Administrative and Service Buildings	6,291	6,330
Total Real Property	\$336,828	\$329,477

For More Information

If you would like more information on the NCC and its programs, please call (613) 239-5555. For information on visiting the Capital and seeing the many national monuments or enjoying a host of other attractions, please call (613) 239-5000 or 1-800-465-1867. If you are interested in becoming an NCC volunteer, please call (613) 239-5373.

Acknowledgement

We gratefully acknowledge the support of all our sponsors and partners for their commitment to NCC programs and events.

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AST Canada Inc.	Metropolitan Life
CAE Inc.	Mobility Canada
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Cantel	Spar Aerospace Limited
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City of Ottawa	Château Laurier
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We also wish to acknowledge all of our contributing sponsors, hotels and partners that have contributed to our programs and events.

Appendix 1: Committees of the National Capital Commission

The Commission, National Capital Commission as at March 31, 1995

Marcel Beaudry, Chairman
Hull, Quebec

Jerry L. Lampert
Vancouver, British Columbia

Darlene Hincks
Regina, Saskatchewan

Clément Massé
Rivière-du-Loup, Quebec

Prince Edward Island
(vacant)

Ed Drover
St. John's, Newfoundland

National Capital Region (Ottawa)
(vacant)

Pierre Isabelle, National Capital
Region, (Hull, Quebec)

André J.C. Dupont
National Capital Region
(Aylmer, Quebec)

Ralph G. Tannis
National Capital Region

Advisory Committee on Marketing and Programming

Eric P. Young, Chair
Social marketer, Toronto, Ontario

Claude Benoit, Member
Museologist, Outremont, Quebec

Gerri Sinclair, Member
Writer, educator and consultant on
technologies in home, classroom
and workplace,
Vancouver, British Columbia

Katherine Flood, Vice-Chair
Maidstone, Ontario

Ada M. Rawlins
Chestermere, Alberta

Manitoba
(vacant)

Ontario
(vacant)

William H. Teed
Saint John, New Brunswick

Janet Robblee Crosby
Halifax, Nova Scotia

National Capital Region (Ottawa)
(vacant)

Representatives at large

John H. Sullivan
Montreal, Quebec

Chief Cece McCauley
Inuvik, Northwest Territories

(vacant)

Barbara L. Pollock, Vice-Chair
Communications specialist,
Regina, Saskatchewan

Jacques Lemay, Member
Artistic director,
Victoria, British Columbia

Jerry L. Lampert, Commission
Member, Vancouver, British Columbia

Marcel Beaudry, Ex-Officio Member,
Hull, Quebec
Chairman, National Capital Commission

*Advisory Committee on Planning and
Real Asset Management*

Philip Boname, Chair,
W Vancouver, British Columbia
Economist and real asset consultant

Samuel E. Aberman, Member,
Westmount, Quebec, Engineer

Norman Hotson, Member,
Architect, Vancouver, British Columbia

Carolyn Woodland, Member,
Architect, Toronto, Ontario

Ed Drover, Commission Member,
St. John's, Newfoundland

Pierre Filion, Vice-Chair,
Waterloo, Ontario
Urban and regional planner

Janet Dey, Member, Toronto, Ontario
Real estate planner and manager

Frank Palermo, Member,
Architect, Halifax, Nova Scotia

John H. Sullivan, Commission
Member, Montreal, Quebec

Marcel Beaudry, Ex-Officio Member,
Hull, Quebec
Chairman, National Capital
Commission

Advisory Committee on Design

Aurèle Cardinal, Chair,
Montreal, Quebec
Architect and urban planner

Benjamin Gianni, Member,
Ottawa, Ontario
Architect

Brigitte Shim, Member,
Toronto, Ontario
Architect

Ada M. Rawlins, Commission Member,
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Norman Hotson, Vice-Chair,
Vancouver, British Columbia
Architect

Peter Lynstra, Member,
Halifax, Nova Scotia
Architect

Carolyn Woodland, Member,
Toronto, Ontario
Architect

Marcel Beaudry, Ex-Officio Member,
Chairman,
National Capital Commission