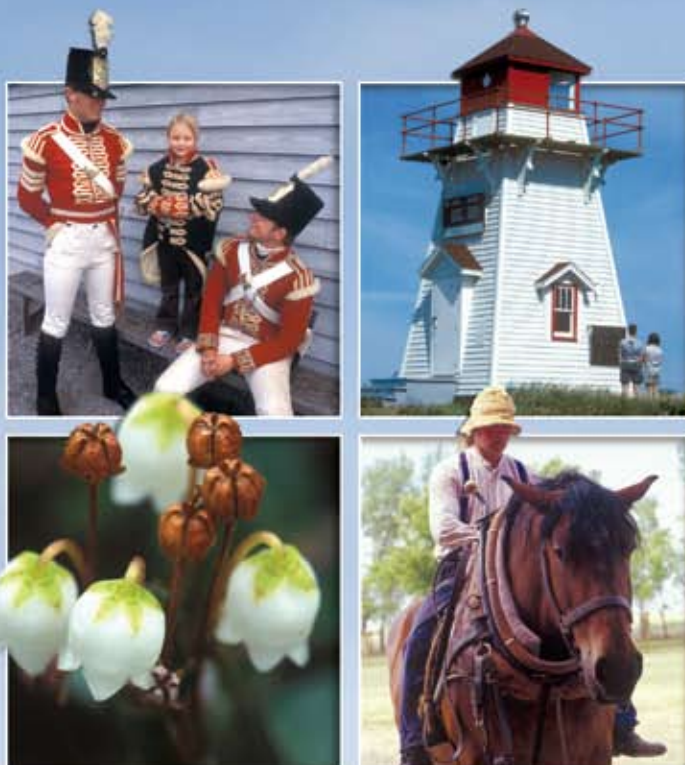




PARKS CANADA AGENCY

PERFORMANCE REPORT

*for the period ending
March 31, 2009*



Parks
Canada

Parcs
Canada

Canada

Serving Canadians

THE
PARKS CANADA
CHARTER

OUR MANDATE

On behalf of the people of Canada, we protect and present nationally significant examples of Canada's natural and cultural heritage, and foster public understanding, appreciation and enjoyment in ways that ensure the ecological and commemorative integrity of these places for present and future generations.

OUR ROLE

We are guardians of the national parks, the national historic sites and the national marine conservation areas of Canada.

We are guides to visitors from around the world, opening doors to places of discovery and learning, reflection and recreation.

We are partners, building on the rich traditions of our Aboriginal people, the strength of our diverse cultures and our commitments to the international community.

We are storytellers, recounting the history of our land and our people — the stories of Canada.

OUR COMMITMENTS

To protect, as a first priority, the natural and cultural heritage of our special places and ensure that they remain healthy and whole.

To present the beauty and significance of our natural world and to chronicle the human determination and ingenuity which have shaped our nation.

To celebrate the legacy of visionary Canadians whose passion and knowledge have inspired the character and values of our country.

To serve Canadians, working together to achieve excellence guided by values of competence, respect and fairness.

PARKS CANADA AGENCY

PERFORMANCE REPORT

*for the period ending
March 31, 2009*

Historic Interpreters:
Fort George NHS,
J. Bénard, 2004

Cove Head
Lighthouse: PEI NP,
J. Ricou, 1995

Flowers:
Ukkusiksalik NP,
L. Narraway, 2005

Horseback Animator:
Motherwell Homestead
NHS, N. Trapp, 2002

Bottom Landscape

Snowy Mountain, Mount Revelstoke National Park of Canada (Parks Canada)

Lake and mountains (Parks Canada)

Motherwell Homestead National Historic Site of Canada (Parks Canada)

Fortress of Louisbourg National Historic Site of Canada (Parks Canada)

Château Frontenac National Historic Site of Canada (P. St.-Jacques, 1994)

Fall foliage (Parks Canada, Michael Wood, 1997)

Waves (Parks Canada, André Cornellier, 1991)

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Parks Canada Agency, 2009

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MINISTER'S MESSAGE



As the Minister responsible for the Parks Canada Agency, I am pleased to present this Performance Report to update Canadians on our progress over the past year. The 2008/09 year was one of achievement for the Government of Canada, and this Performance Report outlines Parks Canada's main successes, as well

as the challenges we face, in our work to protect and present Canada's natural and historical heritage.

Much has been accomplished in the conservation and promotion of our natural and historical heritage, in our collaboration with Aboriginal peoples, as well as in the provision of high-quality services to visitors. Some of our notable achievements over the past year include reaching agreement within government and with the Dehcho First Nations on a significant expansion of the boundaries of Nahanni National Park Reserve in the Dehcho region, and the signing of a Memorandum of Understanding to work towards the creation of a national park reserve (Nááts'ihch'oh) in the Sahtu settlement region of the Northwest Territories; the declaration of four new wilderness areas; the renewal of the Cost-Sharing Program to support the conservation of national historic sites not administered by Parks Canada; and the protection of the Saoyú-Şehdacho National Historic Site of Canada, Canada's largest national historic site and the first to be managed co-operatively by Parks Canada and an Aboriginal group.

The Agency has made a commitment to Canadians to maintain and improve the state of ecological integrity in Canada's national parks. To meet this commitment, Parks Canada established a comprehensive framework for action to maintain or restore ecological integrity in Canada's national parks, in partnership with local communities, stakeholders and park visitors.

The Action on the Ground investment strategy, a key element of this framework, has yielded results that suggest a bright future for joint planning, management and stewardship, as well as enhanced educational and cultural experiences for park visitors. One particular example of Parks Canada's success is the reintroduction of the plains bison in Grasslands National Park after more than a century of absence.

The report also points to the important new funding Parks Canada received through Canada's Economic Action Plan, the Government's plan to stimulate our economy during the global recession. These investments provide new resources to improve visitor facilities in Canada's national parks and national historic sites, to further protect our national historic sites and to complete the twinning of the Trans-Canada Highway in Banff National Park. Parks Canada's nation-wide network of must-see tourist attractions plays a key role in the economic vitality of some 460 communities across the country. In addition, the special places managed by Parks Canada form the pillars of the Canadian tourism industry and represent the very best that Canada has to offer.

In 2008/09, much work has been done to strengthen the connections between Canadians and their national historic sites. Through 44 new designations, including 28 that celebrate the contributions of women, Aboriginals and Canadians of ethnic origins, the network of national historic sites is more engaging than ever. It offers opportunities for visitors to experience Canada's natural and cultural heritage and to develop a deeper understanding of the essence of our identity as a nation.

As the report clearly illustrates, the Government of Canada is taking the necessary steps to ensure that Canada's natural and historic treasured places will form a living legacy for tomorrow's generations of Canadians.

Original signed by

The Honourable Jim Prentice, P.C., Q.C., M.P.
Minister of the Environment and Minister Responsible for Parks Canada Agency

CHIEF EXECUTIVE OFFICER'S MESSAGE



It is with pride that I submit the Performance Report of the Parks Canada Agency, outlining the many achievements in 2008/09.

Through their passion and dedication, Parks Canada employees in all regions of Canada continue to bring the Agency to new heights of achievement by working collaboratively with Canada's Aboriginal peoples, with engaged Canadians in local communities, enthusiastic partners, stakeholders, environmental and cultural heritage groups, as well as with other levels of government.

As this report underscores, tangible progress has been made on several fronts: projects aimed at making Canada's history more representative, and projects aimed at further protecting the lands and waters that make Canada such a great place to live.

Our efforts and resources have focussed as well on providing exceptional opportunities for visitors from every corner of the world to engage in personal moments of inspiring discovery in Canada's 42 national parks, 3 national marine conservation areas and 162 national historic sites which are managed by Parks Canada. We strive to combine exemplary conservation practices, higher-quality services and programs, welcoming staff and a capability to share knowledge, and the investments are achieving results – the level of satisfaction of our visitors remains very high and more than half of Canadians report a personal connection to the treasured places administered by Parks Canada. Real and inspiring connections.

Although much work remains to be done, Parks Canada is appreciative of Parliament's confidence in our ability to deliver results as expressed through the significant infrastructure investments made through the Economic Action Plan of January 2009. These investments will go a long way in helping to achieve Parks Canada's vision of ensuring that "Canada's treasured natural and historic places will be a living legacy, connecting hearts and minds to a stronger, deeper understanding of the very essence of Canada."

Original signed by

Alan Latourelle
Chief Executive Officer
Parks Canada Agency

SECTION 1: PARKS CANADA AGENCY OVERVIEW

Mandate

On behalf of the people of Canada, we protect and present nationally significant examples of Canada's natural and cultural heritage, and foster public understanding, appreciation and enjoyment in ways that ensure the ecological and commemorative integrity of these places for present and future generations.

Vision

Canada's treasured and historical places will be a living legacy, connecting hearts and minds to a stronger, deeper understanding of the very essence of Canada.

Responsibilities

Parks Canada manages national parks, national marine conservation areas and national historic sites on behalf of Canadians. Parks Canada is a proud steward of these heritage places and protects and presents them for the benefit and enjoyment of Canadians while ensuring that they remain unimpaired for present and future generations.

National parks and national marine conservation areas are representative examples of Canada's terrestrial and marine regions. They offer to Canadians a variety of recreational activities and learning experiences as well as a unique opportunity

to personally connect with their land and water. Each national historic site tells its own story and contributes to our understanding of Canada as a whole. They are special places where visitors can learn about the men and women who contributed to shaping Canada as we know it today and where they can experience Canada's history.

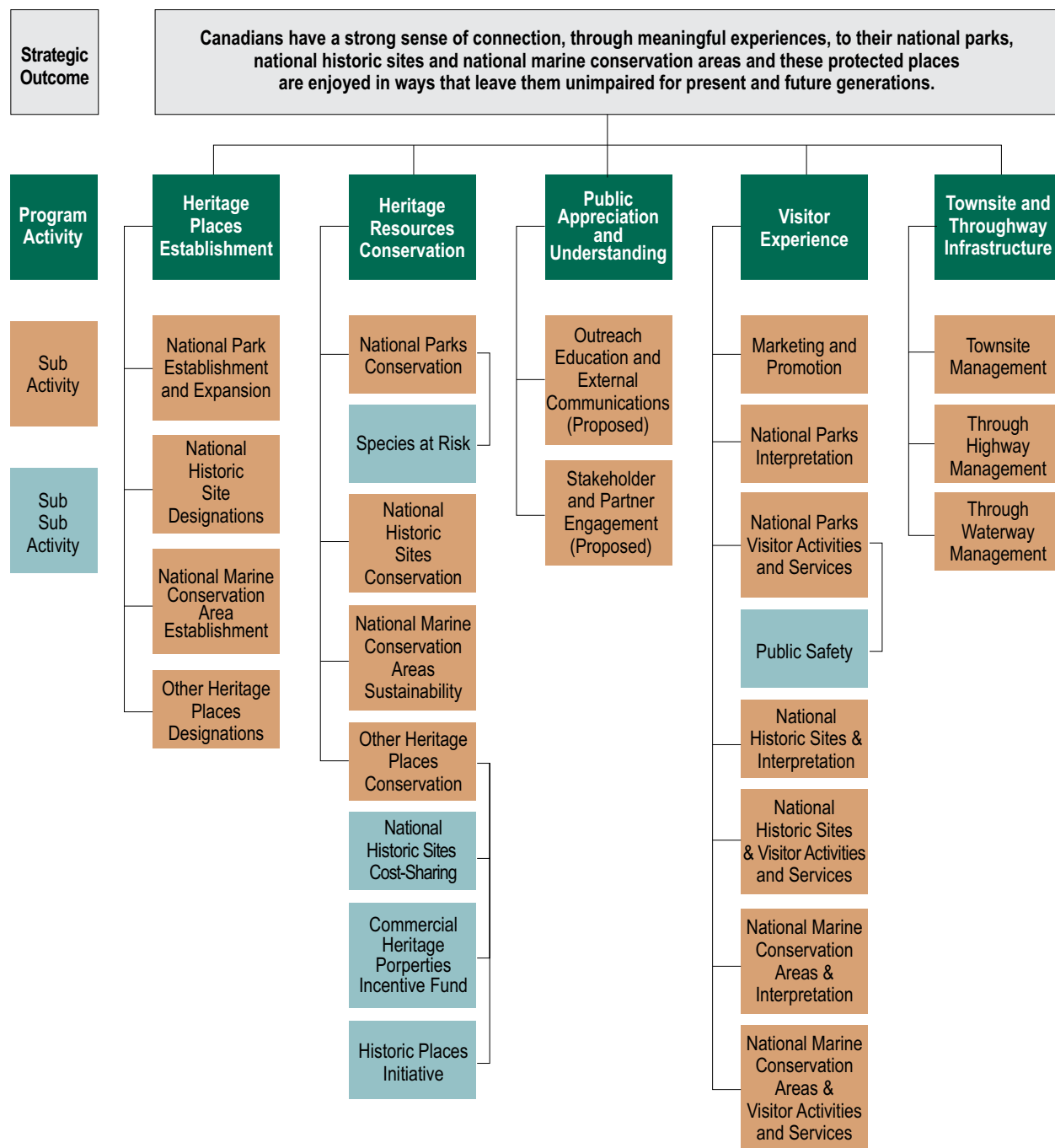
There are more than 22 million visits annually to the heritage places administered by Parks Canada. The Agency supports 38,000 direct jobs for Canadians, in more than 460 communities.

In addition to managing 162 national historic sites,¹ Parks Canada provides assistance in protecting the commemorative integrity of national historic sites owned and managed by third parties.

Parks Canada directs or coordinates activities that conserve other specific aspects of Canada's heritage places: the Historic Places Initiative, Federal Heritage Buildings, Heritage Railway Stations, Heritage Lighthouses, the Canadian Heritage Rivers System, Federal Archaeology and Grave Sites of Canadian Prime Ministers.

Parks Canada also contributes to international heritage conservation through its leadership and participation in international conventions, programs, agencies and agreements. Notably, Parks Canada represents the Government of Canada on the World Heritage Committee and was responsible for the hosting of the World Heritage Committee meeting in Quebec City in 2008.

Strategic Outcome and Program Activity Architecture



Summary of Performance

2008/09 Financial Resources (\$000s)			2007/08 Human Resources (Full-Time Equivalent)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
610,544	712,413	683,790	4,247	4,771	524

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is primarily due to the fact that Parks Canada received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*, and to the Agency's carry forward of funds from the previous fiscal year.

Strategic Outcome

Canadians have a strong sense of connection, through meaningful experiences, to their national parks, national historic sites and national marine conservation areas and these protected places are enjoyed in ways that leave them unimpaired for present and future generations.

Performance Indicator, Target and Date

- Maintain or improve the overall ecological integrity in all national parks from March 2008 to March 2013
- Improve the overall average commemorative integrity rating from 6.0/10 in March 2008 to 6.6/10 in March 2013
- Establish a baseline by March 2009 for the percentage of Canadians that report a personal connection to Parks Canada administered places

Full details on Parks Canada's performance in relation to these performance indicators are presented in Section 2 of this report.

Program Activity	2007/08 Actual Spending (\$000s)	2008/09 (\$000s)				
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
1: Heritage Places Establishment	19,808	24,897	24,897	34,775	33,594	Clean and Healthy Environment; Vibrant Canadian Culture and Heritage
2: Heritage Resources Conservation	201,388	212,566	212,566	226,841	216,807	Clean and Healthy Environment; Vibrant Canadian Culture and Heritage
3: Public Appreciation and Understanding	33,287	26,482	26,482	41,141	40,121	Clean and Healthy Environment; Vibrant Canadian Culture and Heritage
4: Visitor Experience	286,621	271,718	271,718	297,249	283,118	Clean and Healthy Environment; Vibrant Canadian Culture and Heritage
5: Townsite and Throughway Infrastructure	92,939	74,881	74,881	112,408	110,149	Safe and Secure Communities
Total	634,043	610,544	610,544	712,413	683,790	

Note: For fiscal year 2008/09, Parks Canada's Total Authorities reflected an increase of \$102 million over the Planned Spending. This increase is due to the fact that the Agency received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*. This increase included funding for such items as law enforcement; forest fire suppression; assessment, management and remediation of federal contaminated sites; continuation of the twinning of the Trans-Canada Highway; and the Agency's carry forward of funds from the previous fiscal year.

Vibrant Canadian Culture and Heritage

is influenced by Heritage Places Establishment, Heritage Resources Conservation, Public Appreciation and Understanding, and Visitor Experience because they

- establish Canada's national parks and national marine conservation areas, as well as designate persons, places and events of national historic significance to Canada as symbols to the world and as part of the fabric of our nation;
- create a system of national historic sites that respects the significance and irreplaceable historical legacy reflecting Canada's values and identity;
- preserve Canada's natural and historical heritage and make it available to Canadians to discover and enjoy; and

- enhance pride, encourage stewardship and give expression to our identity as Canadians.

Clean and Healthy Environment is influenced by Heritage Places Establishment, Heritage Resources Conservation, Public Appreciation and Understanding, and Visitor Experience because they

- maintain and restore ecological integrity in national parks through the protection of natural resources and natural processes;
- ensure commemorative integrity of national historic sites managed or influenced by Parks Canada;
- ensure the ecologically sustainable use of national marine conservation areas; and
- ensure that many of Canada's most special natural and historical heritage resources will not be lost and that current and future generations will enjoy a system of protected heritage places.

Safe and Secure Communities is influenced by Townsite and Throughway Infrastructure because it

- ensures the availability and maintenance of provincial and inter-provincial highways and bridges that connect communities and pass through national parks and national historic sites;
- ensures that water level management is compliant with legislation, for effective commercial and recreational navigation at nine national historic canals and waterways; and
- provides municipal services to ensure that residents and visitors are safe and secure.

Contribution of Priorities to Strategic Outcome

Operational Priorities	Type	Status	Linkages to Strategic Outcome
Establish national parks and national marine conservation areas and designate places, persons and events of national historic significance	Ongoing	Parks Canada met its goal of working towards establishing national parks and national marine conservation areas. To this end, agreement was reached on significantly expanded boundaries for Nahanni National Park Reserve within the Dehcho region, and the Minister of the Environment signed a Memorandum of Understanding to work towards the creation of a national park reserve (Nááts'ihch'oh) in the Sahtu settlement region to complete the protection of the watershed. The Agency also made progress in the designation and commemoration of places, persons and events of national historic significance, particularly in under-represented themes. The Minister made 44 new designations, 28 of which were in under-represented themes.	Canada's national parks and national marine conservation areas, as well as persons, places and events of national historic significance, are symbols to the world and are part of the fabric of the nation. Presenting and preserving Canada's natural and historical heritage and making it available to Canadians for their discovery and enjoyment are of key importance in creating a strong sense of connection in the hearts and minds of Canadians.
Conserve existing national parks, national marine conservation areas and national historic sites administered by Parks Canada	Ongoing	<p>Parks Canada met all of its objectives of investing in active management and restoration projects to improve the ecological integrity of national parks, and of investing in its built cultural resources to improve the commemorative integrity of national historic sites. The Agency implemented the Action on the Ground integrated funding strategy aimed at addressing the most pressing ecological integrity issues in national parks. This strategy builds upon the ecological integrity improvements realized through the Ecological Integrity Priority Themes Fund, which concluded in 2008, and saw the infusion of \$22 million over five years in 11 multi-year projects in 12 national parks. Projects included the \$2.5 million major aquatic ecosystem restoration project, "From Log to Canoe" (2004–2009),² at La Mauricie National Park, and the Jasper Trails Project, which reclaimed wildlife areas and enhanced recreational experiences of park visitors through the reconfiguration of the extensive trail network.</p> <p>Parks Canada also made important investments in its built cultural resources, which improved the commemorative integrity of national historic sites. These projects included structural work at Battle of the Windmill and roof replacement at Fort Henry, among others.</p>	The protection of Canada's most distinctive natural and cultural resources ensures that national parks, national historic sites and national marine conservation areas are enjoyed in ways that leave them unimpaired for current and future generations.

		<p>In addition, the Minister responsible for Parks Canada declared four new Canadian wilderness areas within national parks, which will further protect outstanding examples of Canada's natural heritage. The new wilderness areas cover portions of Waterton Lakes National Park, Fundy National Park, Vuntut National Park and Nahanni National Park Reserve. No activities may take place in these areas that would impair in any way their distinct character. Parks Canada consulted broadly with First Nations, stakeholders and local communities on the management plans and on the declaration of these wilderness areas.</p>	
<p>Foster Canadian appreciation and understanding for the heritage places administered by Parks Canada and the engagement of stakeholders and partners</p>	Ongoing	<p>In its efforts to build awareness of its mandate and understanding of the importance of the heritage places it administers, Parks Canada met all its goals by developing a six-week nation-wide advertising campaign, launched in spring 2009. The Agency also embarked on several initiatives to reach Canadians at home and in their communities through communication and education opportunities.</p> <p>Parks Canada demonstrated its commitment to engage partners and stakeholders in the protection and presentation of heritage places by acquiring the surface title of the Saoyú-Şehdacho National Historic Site, permitting the site's resources to be protected under the <i>Canada National Parks Act</i>. A co-operative management agreement makes this the first northern national historic site to be managed co-operatively by Parks Canada and an Aboriginal group.</p>	<p>With the collaboration of stakeholders and strategic partners, Parks Canada aims to reach Canadians, at home and in their communities, to increase their understanding, appreciation, support and engagement towards natural and historical heritage. This, in turn, will strengthen their sense of connection to their national parks, national historic sites and national marine conservation areas.</p>
<p>Provide Canadians with meaningful experiences and quality visitor services to improve their personal connection to the heritage places administered by Parks Canada</p>	Ongoing	<p>Parks Canada met its objective of using new social science research information to develop visitor experience products and services to ensure visitors' needs and expectations are met. The Agency conducted the Visitor Information Program survey, which aimed at determining visitors' level of satisfaction with the national park or national historic site surveyed, as well as their sense of connection to the place. Armed with the knowledge gained from the survey results, Parks Canada is able to collaborate with a broad range of partners to enhance existing, and develop new, visitor experience opportunities that will attract and satisfy all types of visitors.</p>	<p>Parks Canada strives to provide high-quality pre- and on-site trip planning information, reception and orientation, interpretation, campgrounds, infrastructure, hiking trails, opportunities for recreational activities, visitor safety and ongoing post-visit relationship. The meaningful experiences fostered by these activities lead to a sense of relevance and connection to Canada's system of special heritage places.</p>

Management Priorities	Type	Status	Linkages to Strategic Outcome
Asset Investments	Ongoing	Parks Canada met all its goals towards investing in its assets. Parks Canada increased its direct investments in assets, as well as its indirect investments, such as increased contracting and asset management capacity. In addition, through Canada's Economic Action Plan, the Agency received \$280 million for investments in assets over the next five years. This will bring the total spending to over \$1 billion within the next five years.	Parks Canada's investments in historical and contemporary facilities will serve to enhance visitor experience, foster public appreciation and enjoyment, and improve the commemorative integrity of cultural and heritage places.
Internal Management	Ongoing	Parks Canada met all its objectives by developing a streamlined approach to corporate planning and reporting.	Parks Canada's streamlined approach is based on Treasury Board's policy on Management, Resources and Results Structures, aligning investments and activities to support the Agency's expected results through the implementation of the Performance Management Framework in corporate processes and documents.
		The Parks Canada Agency met all its goals through the development and communication of its first corporate risk profile. Corporate risk management was integrated into the planning cycle, as demonstrated by its inclusion in the <i>Corporate Plan 2009/10–2013/14</i> .	Identifying corporate risks will contribute to better operational and management decision making in the achievement of the Agency's program activities and Strategic Outcome.
		In 2008/09 Parks Canada met all its objectives by fully implementing its new audit committee consisting of three external members, one of whom chairs the committee. The Agency presented a detailed analysis of the implementation of the new <i>Internal Audit Policy</i> to the committee at the end of the fiscal year and recommended actions to address the remaining gaps in policy implementation.	Strengthening the internal audit regime will help the Agency accomplish its Strategic Outcome through a systematic and disciplined approach to evaluating and improving the effectiveness of governance processes; risk management strategies and practices; and management control frameworks, systems and practices.
Human Resources Renewal	New	Parks Canada met all its goals through the implementation of the Accelerated Learning program in September 2008, with the goal of having 90% of managers complete their training by March 31, 2011. Since that time, 20% of managers across Canada have participated in leadership programs, supporting a culture of change and employee development. New Parks Canada employees benefited from Orientation Week activities, which were designed to reflect the Agency's Strategic Outcome and program activities.	Parks Canada's culture of leadership and continuous learning and improvement ensures that employees at all levels fully understand their role, take personal leadership, are prepared to deal with change, and are fully equipped to deliver on the Agency's mandate and Strategic Outcome.

		Parks Canada also continued its efforts towards the Agency's goal of a representative workforce, and made progress in representation, recruitment and promotions. Representation of Aboriginal peoples continues to exceed labour market availability, while representation of persons with disabilities is at availability, and women and members of visible minority groups are under-represented.	The continuing program to promote diversity in the workplace and to develop a response to changing demographics will ensure that Parks Canada's workforce is reflective of the Canadian population. This, in turn, will foster a personal and more relevant connection to Canada's treasured natural and historic places in all Canadians.
Environmental Management	Ongoing	Parks Canada's greenhouse gas emissions in 2008/09 amounted to 50.9 kilotonnes. This represents a 9.6% reduction from the 1998/99 baseline and exceeds the reduction target of 5.2% by 2010/11.	Solar systems, wind turbines and electric vehicles are now visible throughout Parks Canada's operations. These technologies contribute to the protection of resources, reflect the values of visitors and, in many cases, have increased service offerings. For example, at some sites, solar-powered water treatment systems provide visitors with potable water in remote areas, and electric vehicles offer transportation to visitors in need. In some cases, these technologies are incorporated into interpretative messages and can present unique learning opportunities that enhance the visitor experience.

Risk Analysis

Parks Canada is not alone in offering places of historical and cultural interest to Canadians. The risk exists that Parks Canada's service offer could become less competitive than that of other parks and cultural attractions or leisure activities, with the result that fewer Canadians would choose to visit these protected heritage places. Preliminary visitation numbers from April to September 2008 indicate that attendance at national parks declined by 9 percent over the last year, and by 19 percent at national marine conservation areas. The number of visitors to national historic sites is relatively stable after several years of decline.

Parks Canada launched the Agency Renewal initiative which aims to increase Parks Canada's relevance to Canadians. With a multi-faceted implementation plan already under way, the initiative directly addresses the risk of becoming

less attractive or interesting than other competitive opportunities available to Canadians and thereby addresses the related risk of declining attendance. The renewal initiatives represent a coordinated and strategic approach to ensuring the continuing appeal and competitiveness of the Agency's service offer over the next couple of decades.

To mitigate the risk of weakening its competitive position, Parks Canada took steps in 2008/09 to ensure that it offered high-quality services by implementing service standards. Among other measures, the Agency undertook a certification process for guides and interpreters, and created guidelines for the development of new interpretive exhibits. Parks Canada enhanced trip planning, an area of decreasing satisfaction for visitors, through improvements to the Parks Canada website and the national information and reservation service. In addition, Parks Canada developed a six-week national advertising campaign that was launched

in spring 2009. The Agency also increased its professional capacity in the area of visitor experience by realigning its organizational structure and creating specialized positions, such as Product Development Specialist and Promotion Officer. Additionally, Parks Canada began developing the National Historic Sites Renewal Initiative. This strategy engaged staff from across the Agency in developing ways to increase the relevance to Canadians of the national historic sites administered by the Parks Canada Agency. The development and implementation of this initiative will be ongoing through 2009/10.

Built heritage assets provide a record of the remarkable achievements and events that comprise Canada's history. Not only are they irreplaceable, they provide authentic experiences for visitors and are key contributors to our cultural tourism market. In 2003, the Auditor General of Canada reported that two-thirds of built cultural resources administered by Parks Canada were in poor to fair condition. To help address concerns raised in the Auditor General's report, in 2005 Parks Canada was allocated \$209 million over five years, and \$75 million per year of new funding after the initial five-year period, to improve the condition of its assets. Combined with \$25 million generated every year through user fees and the existing capital budget of \$40 million per year, annual spending on assets will reach target levels of \$140 million per year by 2010/11.

Additionally, through Canada's Economic Action Plan in Budget 2009, Parks Canada received funding of \$280 million over five years. Of that amount, \$130 million was provided to the Agency for twinning a section of the Trans-Canada Highway through Banff National Park. Furthermore, \$75 million has been dedicated to the recapitalization of visitor facilities as these assets play a crucial role in attracting visitors, providing for extended stays and contributing to local economies. The remaining \$75 million will support Parks Canada's National Historic sites upgrades. Parks Canada's National Historic Sites Cost-sharing Program is also a very

successful mechanism for leveraging and delivering infrastructure investments. This program has a budget of \$20 million and will provide 50 percent of eligible costs, up to \$1 million, incurred in the conservation and presentation of national historic sites owned by other levels of government, not-for-profit organizations and not-for-profit Aboriginal organizations.

In some places, native biodiversity and habitat are under considerable stress from external environmental forces, such as climate change, biodiversity loss and the pervasive presence of exotic/invasive species in the greater park ecosystem, all of which influence the ecological integrity of national parks. To attenuate these risks, Parks Canada targeted investments in priority active management and restoration initiatives to improve ecological indicators and make a demonstrable difference. Examples of such initiatives include recovery actions for species at risk, active management and restoration of degraded ecosystems, restoring fire to the landscape and remediation of contaminated sites.

The establishment of national parks and national marine conservation areas is a complex process in which the development of long-term and trusting relationships is key. Challenges include competing land use interests in southern Canada, and the complex northern environment where the development of resources and the settlement of Aboriginal land claims are important factors. Parks Canada continued to work collaboratively with Aboriginal peoples, provincial and territorial governments, stakeholders and local communities to strengthen these relationships in the establishment of new or expanded national parks. Examples of these efforts can be found in Section 2 which presents more specific details on progress.

Currently, the level of public support for the mandate of the Parks Canada Agency is relatively high. Canadians continue to support, at a level virtually unchanged since 2005,³ the use of their tax dollars to maintain natural and cultural heritage

places. Public support is perceived as a high-risk area since its decline would have a significant impact on the ability of Parks Canada to continue to protect and present these national treasures for the enjoyment of Canadians. In the face of changing population demographics, the Agency embarked on several initiatives to reach Canadians at home, at leisure and in their communities, through communication and education opportunities,

such as the previously-mentioned national advertising campaign. In addition, Parks Canada increased its capacity in the area of external relations by strengthening teams across the country dedicated to engaging partners, stakeholders and the public in the understanding, appreciation and support of the natural and cultural heritage places managed by Parks Canada.

Voted and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Wording	2008/09 (\$000s)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending
25	Program expenditures	455,025	455,025	537,507	508,884
30	Payment to the New Parks and Historic Sites Account	500	500	12,500	12,500
(S)	Expenditures equivalent to revenues resulting from the conduct of operations pursuant to section 20 of the <i>Parks Canada Agency Act</i>	111,000	111,000	114,236	114,236
(S)	Contributions to employee benefit plans	44,019	44,019	48,170	48,170
	Total	610,544	610,544	712,413	683,790

Note: Totals may not agree due to rounding. \$12 million of the \$12.5 million in 2008/09 Total Authorities was transferred from Vote 25 to Vote 30 for the additional capital cost requirements associated with the establishment of new national parks and national historic sites.

OFFICE OF THE AUDITOR GENERAL REPORTS

The Auditor General has assessed Parks Canada Agency's performance information presented in Section 2 of this report. This assessment is only a review level of assurance, and does not constitute an audit. The Auditor General's Assessment Report is presented before the performance information in Section 2.

The Auditor General has audited Parks Canada Agency's financial statements. These financial statements and the auditor's report are presented in Section 4.

The Auditor General has not evaluated or audited any other sections of this report.

MANAGEMENT STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

I submit, for tabling in Parliament, the 2008/09 Departmental Performance Report for the Parks Canada Agency.

This document has been prepared based on the reporting principles contained in the *Guide to the Preparation of Part III of the 2008/09 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*.

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance.
- It is based on the Agency's Strategic Outcome and Program Activity Architecture which were approved by the Treasury Board.
- It presents consistent, comprehensive, balanced and reliable information.
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it.
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

In addition, the *Parks Canada Agency Act* requires the Auditor General of Canada to provide an assessment of the fairness and reliability of the performance information.

Management has established systems and practices designed to provide reasonable assurance of the fairness and reliability of the Agency's performance information. Parks Canada is continually improving its financial and performance information, introducing new measures in some areas and enhancing data collection in others. Some information is based on management's best estimates and judgements. Limitations on the quality of the information and plans for improvements are indicated in the report.

The Agency's senior management oversees preparation of this document and approves the final report. In my view, the information is the best available and represents a comprehensive, balanced and transparent picture of the performance of Parks Canada for fiscal year 2008/09.

Original signed by

Alan Latourelle
Chief Executive Officer, Parks Canada Agency

Gatineau
August 7th, 2009



**AUDITOR GENERAL'S ASSESSMENT
of Performance Information
in the Parks Canada Agency's 2008-2009 Performance Report**

To the Chief Executive Officer of Parks Canada Agency and the Minister of the Environment

What I Assessed

As required by the *Parks Canada Agency Act*, I have assessed the fairness and reliability of the Parks Canada Agency's performance information for 2008-2009 with respect to the objectives established in its corporate plan.

Management's Responsibility

The performance information reported in the Agency's performance report is the responsibility of management.

My Responsibility

My responsibility is to assess the fairness and reliability of the performance information included in the Agency's performance report against the objectives established in its corporate plan.

My assessment covered only the performance information included in the section of its performance report titled "Analysis of program activities". My assessment did not include the objectives set out in the corporate plan or information referenced by Web links included in the report. My responsibility does not extend to assessing or commenting on the Agency's actual performance.

The Nature of My Assessment

My assessment consisted of a review performed in accordance with the standards for assurance engagements established by the Canadian Institute of Chartered Accountants. The assessment consisted primarily of enquiry, analytical procedures, and discussion related to the performance information. I conducted this assessment using the criteria for the assessment of fairness and reliability described in the Annex.

An assessment based on a review provides a moderate level of assurance and does not constitute an audit. Consequently I do not express an audit opinion on the Agency's performance information.

Conclusion

Based on my assessment, nothing has come to my attention that causes me to believe that the Agency's performance information for 2008-2009, with respect to the objectives established in its corporate plan, is not, in all significant respects, fair and reliable using the criteria described in the Annex to this report.

Sylvain Ricard, CA
Assistant Auditor General
For the Auditor General of Canada

Ottawa, Canada
August 7, 2009

**CRITERIA FOR THE ASSESSMENT OF FAIRNESS AND RELIABILITY
OFFICE OF THE AUDITOR GENERAL OF CANADA**

The following criteria were developed to assess the fairness and reliability of the information about the Agency's performance with respect to the objectives in its corporate plan. Two key issues were addressed: Has the Agency reported on its performance with respect to its objectives? Is that information fair and reliable? Performance information with respect to objectives is fair and reliable if it enables Parliament and the public to judge how well the entity or program in question is performing against the objectives it set out to accomplish.

FAIRNESS

RELEVANT	The performance information reports in context, tangible, and important accomplishments against objectives and costs.
MEANINGFUL	The performance information describes expectations and provides benchmarks against which performance is compared.
ATTRIBUTABLE	The performance information demonstrates why the program made a difference.
BALANCED	A representative and clear picture of performance is presented, which does not mislead the reader.

RELIABILITY

RELIABLE	The performance information adequately reflects the facts.
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These criteria were developed specifically for the assessment. The Parks Canada Agency has acknowledged that they were suitable for the assessment.

More information on the criteria is available on our Web site at
http://www.oag-bvg.gc.ca/internet/English/meth_gde_e_10217.html

SECTION 2:

ANALYSIS OF PROGRAM

ACTIVITIES

Strategic Outcome

Canadians have a strong sense of connection, through meaningful experiences, to their national parks, national historic sites and national marine conservation areas and these protected places are enjoyed in ways that leave them unimpaired for present and future generations.

Performance Indicator, Target and Date	
	2008/09 Performance
Maintain or improve the overall ecological integrity in all national parks from March 2008 to March 2013	As of March 2009, 93% of Canada's national parks identified key indicators of ecological integrity and 60% identified the status and trends of these indicators, providing a picture of the overall ecological integrity of a park upon which maintenance or improvements will be evaluated in 2013.
Improve the overall average commemorative integrity rating from 6.0/10 in March 2008 to 6.6/10 in March 2013	As of March 2009, Parks Canada achieved an overall average commemorative integrity rating of 6.4. This includes data for the 133 sites evaluated by that date, and new results for sites where re-evaluations have taken place.
Establish a baseline by March 2009 for the percentage of Canadians that report a personal connection to Parks Canada administered places	<p>Parks Canada conducted a National Survey of Canadians, the results of which were used to establish a baseline. The baseline, an index derived from a series of behaviour- and attitude-based questions, showed that 55% of Canadians report a personal connection to places administered by Parks Canada.</p> <p>Measuring Ecological Integrity: http://www.pc.gc.ca/eng/docs/pc/plans/cont-back2008-2009/section2-1.aspx Measuring Commemorative Integrity: http://www.pc.gc.ca/eng/docs/pc/plans/cont-back2008-2009/section0-2.aspx</p>

Note: Specific details about the National Survey of Canadians can be found in Section 3.

Parks Canada accomplishes its Strategic Outcome by ensuring Agency activities and investments are relevant to Canadians and thereby create meaningful experiences in the enjoyment of national heritage places. This will, in turn, foster a strong sense of connection in the hearts and minds of Canadians as these places are protected in ways that allow present and future generations to enjoy them.

Parks Canada has developed tangible and measurable performance indicators that will inform management of the Agency's progress towards its Strategic Outcome. Contributing directly to these high-level expectations are the results of all of the Program Activities that comprise the Agency's Program Activity Architecture. Measuring these results allows Parks Canada to paint a picture of its

overall performance and to determine the progress the Agency has made in attaining its long-term goal.

For each of the five Program Activities – Heritage Places Establishment, Heritage Resources Conservation, Public Appreciation and Understanding, Visitor Experience, and Townsite and Throughway Infrastructure – the pages that follow

- demonstrate the ways in which Canadians have gained benefit from the work of Parks Canada;
- describe Parks Canada's performance expectations and show how the Agency has striven to achieve its goals;
- present an analysis of Parks Canada's performance; and
- show that Parks Canada learns from its actions to strengthen its capacity, processes and practices.

Parks Canada's performance results, achieved during the period covered by this report, are evaluated against the priorities and expected results identified in the *Corporate Plan 2008/09–2012/13* using the following performance rating system established by Treasury Board:

- Exceeded: more than 100%
- Met All: 100%
- Mostly Met: 80% to 99%
- Somewhat Met: 60% to 79%
- Not Met: less than 60%

PROGRAM ACTIVITY 1: HERITAGE PLACES ESTABLISHMENT

2008/09 Financial Resources (\$000s)		
Planned Spending	Total Authorities	Actual Spending
24,897	34,775	33,594

2008/09 Human Resources (Full-Time Equivalent)		
Planned	Actual	Difference
131	111	(20)

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is due to the fact that Parks Canada received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*, and includes the Agency's carry forward of funds from the previous fiscal year.

Benefits for Canadians

Canada's national parks and national marine conservation areas, as well as persons, places and events of national historic significance to Canada, are symbols to the world and are part of the fabric of the nation. Preserving Canada's natural and historical heritage and making it available to Canadians for their discovery and enjoyment are of key importance in enhancing pride and giving expression to our identity as Canadians. During 2008/09, Parks Canada made important progress in several ongoing projects to establish national parks and national marine conservation areas, with a particular emphasis on unrepresented regions, and in the designation of persons, places and events of national historical significance, particularly in under-represented themes. As a result, Canadians can experience and take pride in a stronger representation and conservation of our natural and cultural national treasures.

Performance Expectations

Expected Result

Represented regions in the systems of national parks and national marine conservation areas; the system of national historic sites represents the breadth and diversity of Canada's history

The Expected Result of this Program Activity is measured by three performance indicators. For ease of reporting, Parks Canada's performance for each indicator, including analysis and lessons learned, is presented separately.

Performance Indicator 1

	Target and Date	Progress as of March 2009	Performance Status
Level of representation of terrestrial natural regions	Increase the number of represented terrestrial natural regions from 25 in March 2003 to 30 of 39 by March 2010	28 terrestrial natural regions represented. No new regions represented in 2008/09.	Performance will be assessed in 2010. Progress made towards target is outlined in the following text.
Program Activity definition: http://www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/me-199_e.asp Steps in the establishment of national parks: http://www.pc.gc.ca/eng/docs/v-g/nation/nation6.aspx			

Performance Analysis

No new parks were established in the period covered by this report. The national parks system currently consists of 42 operational parks representing 28 of the 39 natural terrestrial regions represented in the system, and covering a total of 276,240 square kilometres. The establishment of a park begins with the identification of areas representative of a natural region (Step 1); followed by the selection of a potential park area (Step 2); conducting a feasibility study (Step 3); negotiating park agreements (Step 4); and formally protecting a park under the *Canada National Parks Act* (Step 5). Progress on the establishment of seven proposed national parks and park expansions is presented in Figure 1.

The Government of Canada placed a high priority on reaching agreement within government and with Aboriginal groups on the boundaries of the expansion area of Nahanni National Park Reserve within the Dehcho region, which will significantly increase the representation of the Mackenzie Mountains natural region, improve the ecological integrity of the park and provide enhanced visitor experience opportunities. In addition, the Minister of the Environment signed a Memorandum of Understanding to work towards the creation of a national park reserve (Nááts'ihch'oh) in the Sahtu settlement region, which would protect the headwaters of the South Nahanni watershed.

Between March 2003 and March 2006, three previously unrepresented terrestrial natural regions were represented in the national parks system, making the goal 60 percent achieved (three out of five regions represented). In 2003, Parks Canada signed an Inuit Impact and Benefit Agreement for Ukkusiksalik National Park and a Canada/British Columbia agreement for Gulf Islands National Park Reserve. In 2005, an agreement was signed for the Torngat Mountains National Park Reserve and it was formally protected under the *Canada National Parks Act*. However, in 2007, with the settlement of the Quebec Inuit claim, Torngat Mountains changed its status from park reserve to that of national park. These actions resulted in the addition of over 30,000 square kilometres of protected land to the national parks system.

FIGURE 1: PROGRESS OF PROJECTS TO ESTABLISH AND EXPAND NATIONAL PARKS

Terrestrial Natural Region and National Park Area of Interest	Progress Statement in 2008/09
East Coast Boreal <i>Mealy Mountains (NL)</i>	Preparing to negotiate agreements (Between Steps 3 and 4) The feasibility study has been completed and the report of the Steering Committee is under review. Consultations with Innu from Quebec, who have an overlapping claim, are in progress.
Manitoba Lowlands <i>Manitoba Lowlands (MA)</i>	Discussions with First Nations re agreement (Between Steps 3 and 4) Parks Canada held informal discussions with the Chief and Council of Misipawistik Cree Nation and Manitoba. First Nations representatives visited northern national parks to learn about management and relationships.
Western High Arctic <i>Northern Bathurst Island (NU)</i>	Negotiation of agreements (Step 4) Parks Canada is working with the Qikiqtani Inuit Association and the community of Resolute Bay towards a potential Inuit Impact and Benefit Agreement.
Northwest Boreal Uplands <i>East Arm of Great Slave Lake (NWT)</i>	Feasibility assessment (Step 3) Parks Canada conducted part of the Mineral and Energy Resource Assessment technical work. The park operational scenario was completed with input from First Nations and Métis representatives. The social and economic study is advancing. The parties in the Treaty 8 forum agreed to allow discussions on a proposed park to proceed as a side table.
Interior Dry Plateau <i>South Okanagan-Lower Similkameen (BC)</i>	Feasibility assessment (Step 3) Parks Canada is working with the Government of British Columbia to address several outstanding considerations, including the potential transition from provincial land management to national park reserve, the management of cattle grazing and other land use activities. The engagement of First Nations remains a priority.
Northern Interior Plateaux and Mountains <i>Wolf Lake (YK)</i>	Selection of candidate area of interest (Step 2) Parks Canada remains interested in considering the feasibility of a national park in the Wolf Lake area, subject to the support and collaboration of the Government of Yukon.
Mackenzie Mountains <i>Nahanni expansion and Nááts'ihch'oh (NWT)</i>	Negotiation of agreements (Step 4) Agreement was reached on boundaries for a significant expansion of Nahanni National Park Reserve within the Dehcho region. The Minister of the Environment signed a Memorandum of Understanding to work towards creating a new national park reserve (Nááts'ihch'oh) in the Sahtu settlement area, and an interim land withdrawal covering 7,600 km ² of the upper South Nahanni watershed was put in place. An Impact and Benefit Plan is currently under negotiation with the Sahtu Dene and Métis.

Note: A region may be represented by a national park or national park reserve. A reserve is an area managed as a national park but where the lands are subject to one or more claims by Aboriginal people that have been accepted for negotiation by the Government of Canada. A region is considered to be represented when one or more national parks or park reserves are operational as a consequence of: signing a park establishment agreement (federal-provincial and/or Aboriginal agreements); the lands have been transferred to Canada (from the province); and/or the park/reserve is in a schedule of the *Canada National Parks Act*.

Lessons Learned

Establishing national parks is an intricate and lengthy process in which building positive and productive relationships with Aboriginal groups, other governments and communities is essential for successful outcomes. The most important factors and considerations that affect the process are related to working in a complex external environment.

Throughout Step 3 (feasibility assessment), managers and planners take an integrated and balanced approach to realizing Parks Canada's mandate. Ensuring that a proposal is positioned for success requires an understanding of the study area's regional context, local interests and aspirations, as well as traditional and current uses of resources, potential visitor markets, and socio-economic impacts and benefits. This may consume more time and funds initially, but it will lead to improved effectiveness and efficiency in reaching agreement for establishment.

The ever-increasing competition for resources and land, and the complex operating environments in Canada's North and South, create additional challenges for advancing proposals in a timely fashion, keeping costs down and reaching agreement on boundaries.

As a result of these lessons learned, Parks Canada is implementing a more strategic risk management approach to establishment projects that will contribute to streamlining the work, improving decision making and, in turn, producing clear milestones and final outcomes.

Performance Indicator 2			
Level of representation of Canada's history	Target and Date	Result as of March 2009	Performance Status
	33% of yearly recommended designations are for under-represented themes in Canada's history	63%	Exceeded
	Information on under-represented themes: http://www.pc.gc.ca/docs/r/system-reseau/sec4/sites-lieux44_e.asp		

Performance Analysis

The Minister of the Environment made 44 new designations in 2008/09; of these 28 were in under-represented themes in Canada's history, representing 63 percent of the total number of designations. Of the designations in under-represented themes, 8 were women, 2 were Aboriginal, 11 were ethnocultural communities, and 7 touched more than one theme. See Figure 2 for further details.

As of March 2009, the Minister designated 1,989 persons, places and events of historical importance. The average number of designations over three years increased from 16 in 2007 to 37 in 2009, as shown in Figure 3.

FIGURE 2: MINISTERIAL DESIGNATIONS BY TYPE IN 2008/09

Type	#	2008/09 Under-represented themes
Places	13	5
Persons	21	17
Events	10	6
Total	44	28 (63%)

FIGURE 3: TOTAL OF MINISTERIAL DESIGNATIONS OF PLACES, PERSONS AND EVENTS

	2008/09	2007/08	2006/07
Balance as of April 1	1,942	1,897	1,875
New Designations	44	45	21
Net Adjustments	+3	0	+1
Balance as of March 31	1,989	1,942	1,897
Average over 3 years	37	28	16

Source: Historic Sites and Monuments Board of Canada Secretariat database and Directory of Federal Heritage Designation. Adjustments to the number of designations result from the destruction of the listed asset, discovery of double-counted or uncounted previous designations, or reassessment of the status of a listed site.

Lessons Learned

Through Parks Canada's New Commemorations Initiative, the Agency invested \$600,000 over the past two fiscal years to engage women's, Aboriginal and ethnocultural organizations in the development of nominations within these three under-represented themes identified in the National Historic Sites of Canada System Plan (2000). The objective of the initiative is to encourage public participation in identifying and bringing forward nominations in these areas to the Historic Sites and Monuments Board of Canada. A final \$300,000 investment will be made in 2009/10, followed by an evaluation of the initiative, which is expected to produce recommendations for the way forward.

Performance Indicator 3

	Target and Date	Progress as of March 2009	Performance Status
Level of representation of marine regions	Increase the number of represented marine regions from 2 in March 2003 to 4 of 29 by March 2010	Three marine regions represented. No new marine regions represented in 2008/09.	Performance will be assessed in 2010. Progress made towards target is outlined in the following text.
	National marine conservation areas and their establishment: http://www.pc.gc.ca/progs/amnc-nmca/systemplan/index_e.asp		

Performance Analysis

As of March 31, 2009, 3 of 29 marine regions were represented. An agreement for Lake Superior National Marine Conservation Area was signed in October 2007, resulting in 50 percent achievement of the goal of representing two additional marine regions. Parks Canada invests much time and effort in increasing the representation of marine regions. Figure 4 shows the progress achieved during fiscal year 2008/09 on current projects to establish national marine conservation areas.

FIGURE 4: PROGRESS OF PROJECTS TO ESTABLISH NATIONAL MARINE CONSERVATION AREAS

Marine Region and National Marine Conservation Area of Interest	Progress Statement in 2008/09
Hecate Strait / Queen Charlotte Shelf <i>Gwaii Haanas NMCA Reserve (BC)</i>	Negotiating an agreement and preparing an interim management plan (Step 4/early 5) The Canada/Haida marine agreement negotiations advanced well. The interim management plan, with zoning, is being developed in consultation with Haida and other interests. In collaboration with Fisheries and Oceans Canada, Parks Canada embarked on consultations with the fishing sector.
Strait of Georgia <i>Southern Strait of Georgia (BC)</i>	Feasibility assessment (Step 3) Parks Canada and the British Columbia government analyzed issues of importance to the latter to facilitate the next step of negotiations. The Agency took steps to expand consultations with First Nations.
Magdalen Shallows <i>Les Îles-de-la-Madeleine (QC)</i>	Preliminary stages of feasibility assessment (Early Step 3) Parks Canada is in the early stages of a feasibility study and is continuing to work with the Government of Quebec.
Lancaster Sound <i>Lancaster Sound (NU)</i>	Preliminary stages of feasibility assessment (Early Step 3) Parks Canada is working with the Qikiqtani Inuit Association and the Government of Nunavut towards a potential Memorandum of Understanding to guide future collaboration on this project.

Note: A marine region is considered to be represented when one or more national marine conservation areas or reserves are operational as a consequence of: signing an establishment agreement (federal-provincial and/or Aboriginal agreements); seabed and any lands have been transferred to Canada (from province); and/or the national marine conservation area/reserve is in a schedule of the *Canada National Marine Conservation Area Act*.

Lessons Learned

Parks Canada's national marine conservation areas (NMCA) program is relatively unknown to, or is not well understood by, the Canadian public. For this reason, additional time will be taken to fully communicate what Parks Canada's marine program is about and how it relates to other Parks Canada programs and Canada's Federal Marine Protected Areas Strategy. Over 2008/09, Parks Canada worked towards developing a policy framework for the marine program that will assist in conveying the overall intent of the program and the way it will be implemented. Parks Canada is continuing to learn from the complexities of working closely with stakeholders and other government agencies in order to advance NMCA program objectives in a sustainable use context.

PROGRAM ACTIVITY 2: HERITAGE PLACES CONSERVATION

2008/09 Financial Resources (\$000s)		
Planned Spending	Total Authorities	Actual Spending
212,566	226,841	216,807

2008/09 Human Resources (Full-Time Equivalent)		
Planned	Actual	Difference
1,424	1,499	75

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is due to the fact that Parks Canada received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*. This increase includes funding for such items as law enforcement; forest fire suppression; assessment, management and remediation of federal contaminated sites; and the Agency's carry forward of funds from the previous fiscal year. The increase was partially offset by the realignment of the Program Activity Architecture in 2008/09.

Benefits for Canadians

The protection of Canada's most special natural and cultural resources ensures that current and future generations will enjoy a variety of protected heritage places. Parks Canada made significant investments in the preservation of the ecological integrity of our national parks as well as of the commemorative integrity of national historic sites. Because of these actions, generations of Canadians will continue to enjoy the nation's most treasured places, in ways that leave them unimpaired.

Performance Expectations

Expected Result

Management actions result in improvements to ecological integrity indicators in national parks and the state of cultural resources in national historic sites is improved

The Expected Result of this Program Activity is measured by two performance indicators. For ease of reporting, Parks Canada's performance for each indicator, including analysis and lessons learned, is presented separately.

Performance Indicator 1

	Target and Date	Progress as of March 2009	Performance Status
State of ecological integrity indicators in national parks	90% of national parks have at least one improved ecological integrity indicator from March 2008 to March 2013	Priority active management and restoration initiatives for improving ecological integrity indicators were identified in 24 national parks (57%).	Performance will be assessed in 2013. Progress made towards target is outlined in the following text.
	Program Activity definition: http://www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/me-199_e.asp Action on the Ground II: http://www.pc.gc.ca/eng/docs/bib-lib/~media/docs/bib-lib/pdfs/aslt2%20aotg2_e.ashx Principles and Guidelines for Ecological Restoration in Canada's Protected Natural Areas: http://www.pc.gc.ca/eng/docs/pc/guide/resteco/~media/docs/pc/guide/resteco/guide_e.ashx State of Park Reports: http://www.pc.gc.ca/eng/docs/bib-lib/docs5hi.aspx		

Performance Analysis

As of 2008/09, a total of 39 national parks, representing 93 percent of Canada's national parks, have identified key indicators of ecological integrity. Twenty-five parks have already determined the status and trend of these indicators, providing the baseline information against which improvements in ecological integrity indicators will be evaluated in 2013.

Parks Canada implemented an investment strategy called Action on the Ground integrated funding. The strategy involved the consolidation of several funding sources to improve the integrated delivery of the Agency's programs and facilitate multi-year investments targeted at the most pressing ecological integrity issues in national parks. As a result, priority active management and restoration initiatives for improving ecological indicators were identified, and targeted projects for 24 parks in the South, representing 57 percent of Canada's 42 national parks, will be initiated in 2009/10. Figure 5 provides additional details on some of the activities related to the Action on the Ground investment strategy.

Programs focussed on active management and restoration initiatives to improve ecological integrity in Canada's national parks have been ongoing. Nonetheless, the Agency has recently taken a more targeted approach by incorporating ecological integrity indicators of key park ecosystems into the program framework. With an ecological integrity monitoring and reporting system in place, national principles and guidelines for ecological restoration established, and key ecological integrity indicators and priority investment projects identified, Parks Canada is well positioned to report on ecological integrity improvements in future years.

FIGURE 5: EXAMPLES OF ACTION ON THE GROUND PROJECTS

National Park	Ecological Integrity Indicator	Condition	Trend	Action on the Ground II Project Description
Gros Morne	Forest	Poor	Down	Restoring Forest Health
Point Pelee	Non-Forest (Savannah)	Fair	Down	Greater Park Ecosystem – Restoring the Carolinian Habitat Mosaic
Grasslands	Grasslands	Fair	Stable	Prairie Restored: Building the Grasslands Experience
Jasper	Aquatic	Fair	Up	Restoring and Reconnecting Our Waters
Pacific Rim	Streams	Fair	Stable	Restoring Salmon Streams for People and Wildlife

Lessons Learned

Apart from climate change, northern parks are not facing the same stresses that affect the ecological integrity of other national parks, due to their relative remoteness and large size. Because the current state of ecological integrity in northern parks is generally maintained, improvement efforts will focus on the greater challenges facing southern parks, which require heightened management due to their smaller size, impacts resulting from surrounding land uses and invasive non-native species. For these reasons, and to better address the complexities of ecological systems and their responses to active management and restoration initiatives, Parks Canada modified its target in the *Corporate Plan 2009/10–2013/14*. The performance target will read: “Outside of national parks in the far north with an already acceptable ecological integrity status,⁴ 80 percent of national parks have at least one improved ecological integrity indicator from March 2008 to March 2013.”

Parks Canada is developing a plan to complete the design of ecological integrity monitoring in the North. Northern parks will be using the best available information, including Aboriginal traditional knowledge, remote sensing information and data acquired from selected sites, to guide ecological monitoring and reporting activities.

Performance Indicator 2

Condition of cultural resources and management practices elements of commemorative integrity in national historic sites	Target and Date	Results as of March 2009	Performance Status
	70% of the condition of cultural resources elements of commemorative integrity rated as poor are improved within five years	60%	Mostly met ⁵
	70% of the management practices elements of commemorative integrity rated as poor are improved within five years	71%	Exceeded
Definition of the concept of Commemorative Integrity: http://www.pc.gc.ca/eng/docs/pc/guide/guide/commemorative_1_0/commemorative_1_1.aspx Cultural Resource Management Policy: http://www.pc.gc.ca/eng/docs/pc/poli/princip/sec3.aspx List of National Historic Sites administered by Parks Canada: http://www.pc.gc.ca/progs/lhn-nhs/recherche-search_e.asp?s=1			

Performance Analysis

Parks Canada completed baseline commemorative integrity evaluations at 133 of 162 national historic sites. Each site that had poor ratings of any element of commemorative integrity is reassessed five years after the original evaluation to determine if improvements have occurred. In 2007/08, Parks Canada conducted reassessments of national historic sites originally evaluated in 2001/02, representing a six-year gap. In order to move to a five-year cycle, reassessments were accelerated in 2008/09 to include those sites that were initially evaluated in 2002/03 and 2003/04.

During fiscal year 2008/09, three of five national historic sites (60%) whose condition of cultural resources element of commemorative integrity was rated poor in 2002/03 or 2003/04 improved that rating within the five-year period, thereby mostly meeting the performance expectation. Five out of seven sites (71%) improved their poor rating for management practices.

Overall, commemorative integrity ratings for the condition of cultural resources and management practices demonstrate improvement. Efforts focussed on addressing deficiencies, which resulted in improvements to the ratings, with the exception of three sites: Carillon Canal, Fort George and Fort Mississauga, where only tentative steps were taken. A fourth site, Kingston Fortifications – Cathcart Tower, although it did improve its commemorative integrity rating, did not undertake or complete its conservation work within the five-year period. See Figures 6 and 7 for further details.

FIGURE 6: 2008/09 REASSESSMENT RESULTS OF NATIONAL HISTORIC SITES WITH POOR RATINGS IN 2002/03 OR 2003/04 FOR THE CONDITION OF CULTURAL RESOURCES ELEMENT OF COMMEMORATIVE INTEGRITY

National Historic Sites with Poor Ratings	2008/09 Rating	Progress Statement	Performance Status
Carillon Canal (Carillon, QC)	Poor	Parks Canada made investments to improve the condition of the locks, but work remains to be done on buildings and structures.	Not Met
Battle of the Windmill (Prescott, ON)	Fair	Considerable work was undertaken to improve the structural integrity of the tower since the 2002 evaluation. Further work is planned, and cyclical maintenance is in place to address ongoing concerns.	Met All
Fort Henry (Kingston, ON)	Fair	Parks Canada made investments in built resources that improved their condition. These investments included, in particular, the design and stabilization of the entrance cutting; repairing the roof of the Commissariat Stores; stabilizing and waterproofing the redoubt and replacing the roofs of the stockade house, the maintenance building and the hospital guardhouse.	Met All
Kingston Fortifications – Cathcart Tower (Kingston, ON)	Fair	Conservation work was planned but not undertaken within the five-year period. The initial site evaluation took place in July 2002; work on the Cathcart Tower was begun in July 2007 and completed in October 2008. Knowledge of the archaeological resources at the site increased since the original evaluation.	Not met
Twin Falls Teahouse (Yoho National Park, BC)	Good	Conservation issues were addressed, such as the rotting foundation logs and the roof deterioration. Selective tree cutting re-established the view of Twin Falls and of surrounding landscape from the Teahouse.	Met All

FIGURE 7: 2008/09 REASSESSMENT RESULTS OF NATIONAL HISTORIC SITES WITH POOR RATINGS IN 2002/03 OR 2003/04 FOR THE MANAGEMENT PRACTICES ELEMENT OF COMMEMORATIVE INTEGRITY

National Historic Sites with Poor Ratings	2008/09 Rating	Progress Statement	Performance Status
Alexander Graham Bell (Baddeck, NS)	Fair	The Kite House photo collection was reproduced and the images preserved. The heating, ventilation and air conditioning (HVAC) system was replaced, although humidity remains an issue that can affect the building and exhibits.	Met All
Carillon Canal (Carillon, QC)	Fair	Parks Canada inventoried most of the cultural resources and there is regular monitoring of the masonry of the houses of the collector and the superintendent.	Met All
Battle of the Chateauguay (Allans Corners, QC)	Fair	Subsequent to an environmental study conducted in 2006 for the area administered by Parks Canada, there were improvements to the inventory and evaluation of cultural resources, though further work needs to be done. The site developed partnerships or relationships with local committees, with the region's municipality and with owners of neighbouring properties.	Met All
Fort Henry (Kingston, ON)	Fair	Parks Canada improved procedures for conducting inventory and evaluation of buildings, structures, archaeological sites and objects, although gaps remain. Monitoring programs are in place for some of the built heritage, but not for the presentation program. Formal conservation maintenance on the buildings/structures is not in place.	Met All
Cave and Basin (Banff National Park, AB)	Fair	The inventory and evaluation of the landscape and archaeological features were improved, as a result of a ground survey conducted in 2007 that identified elements not previously known, such as the identification of WWI internment sites. Record keeping has improved, though no formal monitoring programs or up-to-date maintenance plans exist for the cultural resources.	Met All
Fort George (Niagara-on-the-Lake, ON)	Poor	The site made some improvement in management of records, particularly those related to decisions and actions involving cultural resources. Remedial action did not take place to address the deteriorated palisades and revetments, which were identified as a key issue in the 2003 Commemorative Integrity Evaluation. Parks Canada will invest \$2.5 million in 2009/10, funded through Canada's Economic Action Plan, to address this issue.	Not Met
Fort Mississauga (Niagara-on-the-Lake, ON)	Poor	The site made improvements in records management related to decisions and actions regarding cultural resources. Viewsheds were also improved through vegetation management. The inventory and evaluation of archaeological objects and sites, including the mapping of known and suspected sites, remains incomplete. There is no monitoring or management strategy in place with respect to the shoreline erosion threat that was identified in 2003.	Not Met

Source: Parks Canada's Reassessment of Sites with Poor Ratings.

Lessons Learned

The Commemorative Integrity Evaluation program and the reassessment of elements rated as poor have been important tools for the Agency in identifying and addressing key issues and in focussing resources. The reassessments demonstrated success in improvement of resources condition and management practices. The assessment questionnaire has been reviewed to improve efficiency of the evaluation process, while maintaining consistency in methodology. The draft rating guide is being formalized to provide improved guidance in the application of the evaluation process.

PROGRAM ACTIVITY 3: PUBLIC APPRECIATION AND UNDERSTANDING

2008/09 Financial Resources (\$000s)		
Planned Spending	Total Authorities	Actual Spending
26,482	41,141	40,121

2008/09 Human Resources (Full-Time Equivalent)		
Planned	Actual	Difference
257	360	103

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is primarily due to the realignment of the Agency's Program Activity Architecture in 2008/09 and the carry forward of funds from the previous fiscal year.

Benefits for Canadians

To foster a sense of connection to Canada's places of natural and cultural heritage, it is important that Canadians have opportunities to understand, appreciate and support these places. By conducting the National Survey of Canadians, Parks Canada gained insight into the way Canadians feel about these places. With this knowledge, Parks Canada can work towards further engaging Canadians in getting to know their national parks, national historic sites and national marine conservation areas better. This will lead to strengthening the connection Canadians have to these treasured places, and deepen the relevance of these places to Canadians. Canadians will increasingly take pride in these places, knowing that they have an opportunity to influence decisions and actions undertaken on their behalf.

Performance Expectations

Expected Result

Canadians appreciate the significance of heritage places administered by Parks Canada and understand the importance of protecting and presenting them

Performance Indicators

	Target and Date	Results as of March 2009	Performance Status
Canadians appreciate the significance of heritage places administered by Parks Canada	Establish a baseline by March 2009 for the percentage of Canadians that appreciate the significance of heritage places administered by Parks Canada	Baseline established	Met All
Canadians understand the importance of protecting and presenting heritage places administered by Parks Canada	Establish a baseline by March 2009 for the percentage of Canadians that understand the importance of protecting and presenting heritage places administered by Parks Canada	Baseline established	Met All
Program Activity definition: http://www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/me-199_e.asp Link to Parks Canada's ad campaign: http://www.pc.gc.ca/cp-ac/index_e.asp			

Performance Analysis

Parks Canada met its objectives of establishing two baselines by March 2009 using a National Survey of Canadians. As a result of the survey, Parks Canada now knows that 53 percent of Canadians appreciate the significance of heritage places. This means that Canadians

- understand why places administered by Parks Canada are established/designated;
- consider it important that they visit places administered by Parks Canada;
- feel that it is important that places administered by Parks Canada are enjoyed by current and future generations; and
- consider that places administered by Parks Canada are a source of pride.

The Agency also knows that 67 percent of Canadians understand the importance of protecting and presenting the heritage places administered by Parks Canada. This means that Canadians understand the importance that Parks Canada places on protecting (establishment, designation and sustainability) and presenting (opportunities to discover and experience) national parks and national historic sites. See Section 3 for additional details on the survey.

Lessons Learned

The results of the survey are encouraging as they support the concept that awareness leads to understanding which, in turn, leads to appreciation. The results suggest that while Canadians may understand the importance of protecting and presenting places administered by Parks Canada, not all of them have yet made the step towards appreciating these places.

With baselines now in place, Parks Canada can focus its attention on increasing Canadians' understanding and appreciation. In establishing the baselines, it was found that clarity was lacking in the distinction between the two performance targets. With this in mind, Parks Canada modified the second performance target to better reflect the importance and relevance of its work to Canadians. Thus, Parks Canada's 2009/10 performance targets for this Program Activity will be:

- Increase the percentage of Canadians that appreciate the significance of heritage places administered by Parks Canada by March 2014.
- Increase the percentage of Canadians that understand the importance of why Parks Canada protects and presents its administered places by March 2014.

PROGRAM ACTIVITY 4: VISITOR EXPERIENCE

2008/09 Financial Resources (\$000s)		
Planned Spending	Total Authorities	Actual Spending
271,718	297,249	283,118

2008/09 Human Resources (Full-Time Equivalent)		
Planned	Actual	Difference
2,045	2,461	416

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is due to the fact that Parks Canada received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*. This augmentation includes increased revenue collections and the Agency's carry forward of funds from the previous fiscal year. The increase was partially offset by the realignment of the Program Activity Architecture in 2008/09.

Benefits for Canadians

The visitor experience is the sum total of a visitor's personal interaction with heritage sites and the people encountered there, an interaction that awakens their senses, affects their emotions, stimulates their mind and leaves them with a sense of attachment to these places. Through the Visitor Information Program survey, Parks Canada was able to discover the extent to which visitors are satisfied with the national parks, national historic sites and national marine conservation areas that the Agency administers. Equipped with this body of information, Parks Canada is well positioned to create and enhance opportunities and activities to further enrich the experience of visitors to Canada's natural and cultural treasures. These actions will help develop and reinforce in Canadians a sense of personal connection to these cherished places.

Performance Expectations

Expected Result

Visitors at surveyed locations feel a sense of personal connection to the places visited

The Expected Result of this Program Activity is measured by two performance indicators. For ease of reporting, Parks Canada's performance for each indicator, including analysis and lessons learned, is presented separately.

Performance Indicator 1

Visitors at surveyed locations consider the place is meaningful to them

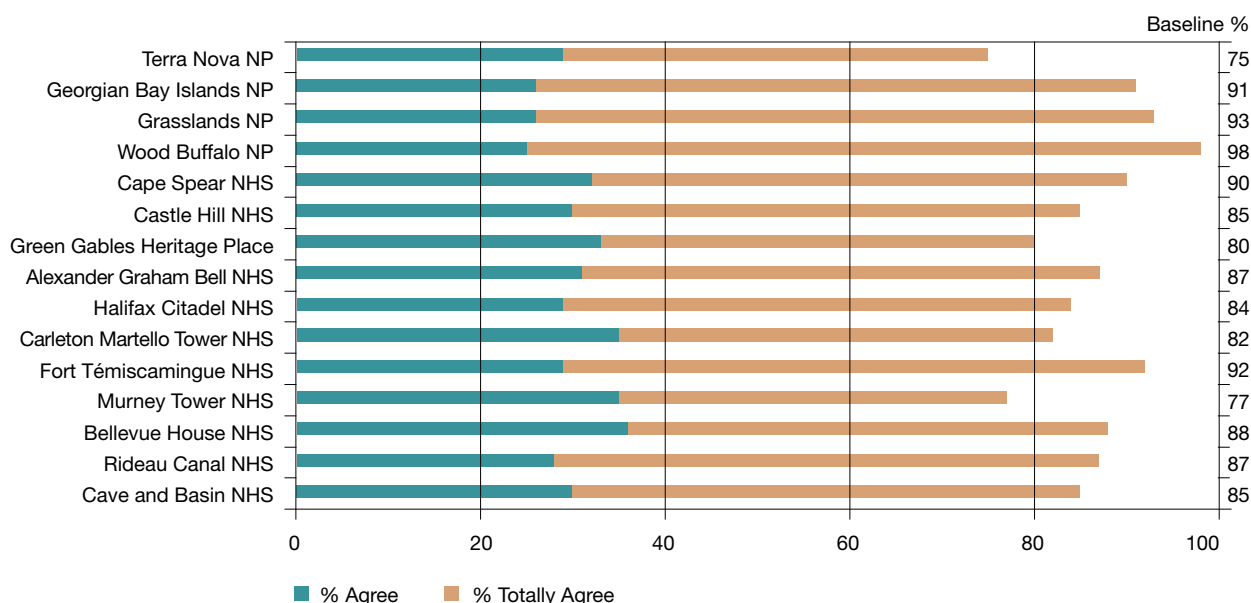
Target and Date	Results as of March 2009	Performance Status
Establish a baseline by March 2009 for the percentage of visitors at surveyed locations that consider the place is meaningful to them	Baseline established at 15 of 15 places surveyed	Met All
Program Activity definition: http://www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/me-199_e.asp Link to Parks Canada's ad campaign: http://www.pc.gc.ca/cp-ac/index_e.asp		

Performance Analysis

Parks Canada succeeded in establishing a baseline of the percentage of visitors who consider that the place is meaningful to them at all of the 15 places surveyed. Visitors to selected national parks and national historic sites were asked about their sense of connection to the protected heritage place. By responding to the statement, "Now that I've been here, this location is meaningful to me," visitors at each of the surveyed sites indicated the degree to which they felt a sense of connection to the site. The results for the four national parks and 11 national historic sites surveyed in 2008/09, shown in Figure 8, suggest that visitors feel a strong sense of connection with heritage places administered by Parks Canada.

The sum of the percentage of survey respondents who indicated that they totally agreed and that they agreed with the statement formed the baseline for each location. More than three-quarters of the respondents felt a sense of connection at each surveyed location.

FIGURE 8: PERCENTAGE OF VISITORS WHO AGREE WITH THE STATEMENT: NOW THAT I HAVE BEEN HERE, THIS LOCATION IS MEANINGFUL TO ME



Lessons Learned

Parks Canada conducted the Visitor Information Program (VIP) survey between June and September 2008 (peak visitor season). This past year was the first time visitors had been asked if the national park or national historic site was meaningful to them. Partial results available in October from a few surveyed locations suggested that the percentage of visitors reporting a sense of personal connection was relatively low. With this in mind, the Agency proceeded to establish a progressive performance target for 2009/10 (Increase the percentage of visitors at all surveyed locations that consider the place is meaningful to them by March 2014). When full results were available in March 2009 for all locations surveyed, the values for personal connection were much higher. For this reason, Parks Canada will establish a specific target in the *Corporate Plan 2010/11–2014/15* for the percentage of visitors at surveyed locations who consider the place meaningful to them. The target will be founded on baselines established at individual places participating in the Visitor Information Program in 2008/09 and 2009/10. The two-year plan thus provides a larger sample of places from which to reliably define the overall target. See Section 3 for additional details on the survey.

Performance Indicator 2			
Visitors at surveyed locations are satisfied with their visit	Target and Date	Results as of March 2009	Performance Status
	85% of visitors at surveyed locations are satisfied with their visit	14 of 15 surveyed locations met or exceeded the target	Mostly Met
	50% of visitors at surveyed locations are very satisfied with their visit	13 of 15 surveyed locations met or exceeded the target	Mostly Met
	Campground reservation: http://www.pccamping.ca/ Travel Planners: http://www.pc.gc.ca/voyage-travel/pv-vp/index_e.asp National passes: http://www.pc.gc.ca/voyage-travel/carte-pass/index_e.asp Link to Parks Canada's ad campaign: http://www.pc.gc.ca/cp-ac/index_e.asp		

Performance Analysis

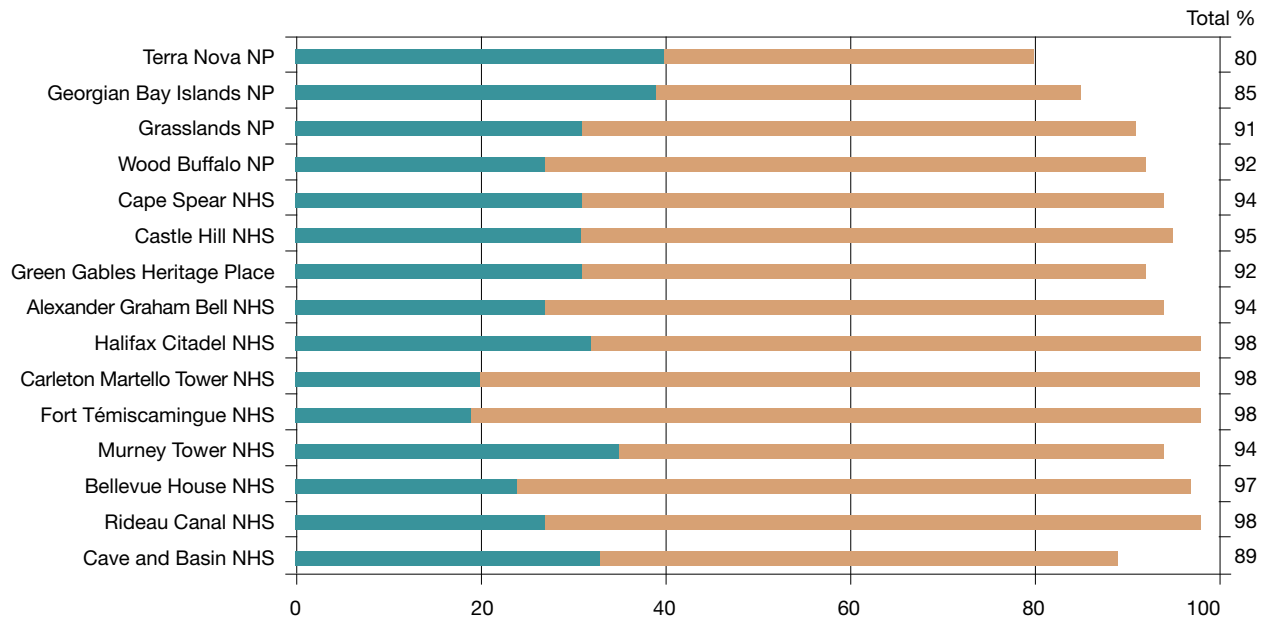
Parks Canada mostly met its performance target in 2008/09 with respect to visitors feeling satisfied with their visit, with 14 of 15 surveyed locations (93%) meeting or exceeding the target of 85 percent. One location had a result of 80 percent. The total percentage of satisfied visitors is the sum of the percentage of visitors who said they were satisfied with their visit and those who said they were very satisfied.

The Agency mostly met its performance target regarding the percentage of visitors feeling very satisfied with their visit, with 13 of 15 surveyed locations (86%) meeting or exceeding the target of 50 percent. Two locations reported rates of 40 percent and 46 percent. Survey results for the period ending March 31, 2009, are shown in Figure 9.

Various elements contribute to a visitor's level of satisfaction, including the availability and quality of learning activities, recreational activities and pre-visit information, the condition of facilities, service from staff and value for fees. These elements were also evaluated in the VIP survey.

The level of overall satisfaction was generally consistent across national parks and national historic sites with the exception of two national parks, as described below. In general, visitors were satisfied with the availability and quality of services provided. Visitors to the surveyed sites were satisfied with the availability of service in their language of choice and with the courtesy and knowledge of Parks Canada's staff. Visitors were also satisfied with the professionalism of Parks Canada's staff, an important component in influencing overall satisfaction.

FIGURE 9: PERCENTAGE OF VISITORS WHO ARE SATISFIED AND VERY SATISFIED WITH THEIR VISIT



Lessons Learned

Based on the results of the VIP survey, Parks Canada determined that each heritage place must develop a service offer that is tailored to the needs and expectations of its visitors in order to increase satisfaction levels. Consequently, in the upcoming year, the Agency will continue to collaborate with a broad range of partners to enhance existing offers and to develop new visitor experience opportunities that reflect the different requirements of visitors to each heritage place. To accomplish this, Parks Canada will apply a market-based approach, calling for a better understanding of the needs and expectations of current and potential visitors, to the planning of activities for visitors to experience on an ongoing basis.

PROGRAM ACTIVITY 5: TOWNSITE AND THROUGHWAY INFRASTRUCTURE

2008/09 Financial Resources (\$000s)		
Planned Spending	Total Authorities	Actual Spending
74,881	112,408	110,149

2008/09 Human Resources (Full-Time Equivalent)		
Planned	Actual	Difference
390	340	(50)

Note: The increase in Total Authorities and Actual Spending as compared to Planned Spending is due to the fact that Parks Canada received confirmation of additional funding after the preparation of the planned spending figures presented in the *Corporate Plan 2008/09–2012/13*. This increase includes funding for such items as the continuation of the twinning of the Trans-Canada Highway, increased revenue collections and the Agency's carry forward of funds from the previous fiscal year. A portion of the increase is the result of the realignment of the Program Activity Architecture in 2008/09.

Benefits for Canadians

Five of Canada's national parks provide a haven for vibrant townsite communities, to which Parks Canada provides a variety of municipal or other services. These are Field in Yoho National Park, Lake Louise in Banff National Park, Wasagamung in Riding Mountain National Park, Waskesiu in Prince Albert National Park and Waterton in Waterton Lakes National Park. The Agency also manages and maintains the provincial and inter-provincial highways and waterways that connect communities and pass through national parks and national historic sites. As a result of the work of Parks Canada in 2008/09, residents of and visitors to townsite communities benefited from improved facilities and services, which contributed to a better quality of life. Through highways remained open and were maintained, permitting Canadians to travel freely and safely. Waterways provided effective commercial and recreational boating facilities.

Performance Expectations

Expected Result

Condition of contemporary infrastructure for townsites and waterways is maintained or improved and through highways are open to traffic

The Expected Result of this Program Activity is measured by one performance indicator that covers three elements – townsites, waterways and through highways – for which there are separate performance targets. For ease of reporting, the analysis of the performance of each element is presented separately. The lessons learned for this Program Activity are relevant to all three elements and thus appear once at the end of this subsection.

Performance Indicator 1

	Target and Date	Progress as of March 2009	Performance Status
Condition of townsite contemporary assets	The condition of 75% of townsite contemporary assets is maintained, and the condition of 25% of assets rated as poor or fair is improved by March 2013	20 projects undertaken to maintain or improve asset condition. Real Property Management System has been initiated to improve management of assets.	Performance will be assessed in 2013. Progress made towards target is outlined below.
	Program Activity definition: http://www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/me-199_e.asp Lake Louise Community Plan: http://www.pc.gc.ca/pn-np/ab/banff/docs/planll/index_e.asp Wasagaming Community Plan: http://www.pc.gc.ca/~media/pn-np/mb/riding/pdf/2000wasag_e.ashx Waskesiu Community Plan: http://www.geocities.com/wlhttp/wcp-1-e.html Waterton Lakes Park Management: http://www.pc.gc.ca/pn-np/ab/waterton/plan/index_E.asp Field Community Plan: http://www.pc.gc.ca/eng//docs/v-g/yoho/fieldplan/index.aspx		

Performance Analysis

Parks Canada conducted the last condition reports on townsite assets between 1998 and 2001. These reports have historically been done on a 10-year cycle. The Agency began the review of condition ratings in 2008/09 and expects to complete this task by March 2010. Parks Canada will measure its performance against the new condition ratings by 2013.

Nonetheless, in 2008/09, Parks Canada invested in 20 projects, with a total value of \$11.6 million, to maintain or improve asset condition. In the case of five projects in four townsites, this investment resulted in an improvement in the asset condition rating. Three examples of these projects follow.

Field

The Slope Stability project protected 2nd Avenue from collapse and stopped sloughing of lots, allowing the release of lots for residential development as proposed in the Field Community Plan, and prevented further damage to foundations of privately owned residences and businesses.

Waterton

Parks Canada conducted the Waste Water Treatment upgrade, which included a new facility to remove solids and debris, an upgraded aeration system/blower building, the addition of a new lagoon to provide increased storage capacity, and a new tertiary treatment facility (filtration and ultra-violet disinfection) to allow the use of treated effluent to irrigate the golf course.

Wasagaming

The Agency effected various repairs to the shower building that services 525 cabins. The work performed included the installation of new hot water tanks, the complete re-tiling of the bath area, repainting of the interior and refurbishing of the interior fixtures.

Performance Indicator 2

	Target and Date	Progress as of March 2009	Performance Status
Condition of waterway contemporary assets	The condition of 75% of waterway contemporary assets is maintained, and the condition of 25% of assets rated as poor or fair is improved by March 2013	Real Property Management System has been initiated to improve management of assets.	Performance will be assessed in 2013. Progress made towards target is outlined below.

Performance Analysis

Parks Canada lacks a formal national inventory and condition rating for through waterways. This weakness has been identified and Parks Canada is currently pursuing a new Real Property Management System that will address this deficiency.

However, Parks Canada has made progress in the management of its waterway assets. Dams make up a significant portion of the through waterway assets and represent a complex and high-risk subset. The inspection of all the dams in the Agency's inventory will take some time but is proceeding on a risk management basis with the highest-risk dams being inspected first. In 2008/09, Parks Canada initiated the inspection and classification of dams using the definitions established by the Canadian Dam Safety Association. During the same period, the Agency developed a Dam Safety Program Directive, which came into effect in April 2009 and which is currently being used to manage its dams and water-retaining structures. The directive provides consistent national guidelines for the design, construction, inspection and maintenance of dams and water-retaining structures.

Bridges over through waterways also represent a significant asset base. Parks Canada developed a Bridge Inspection Directive in January 2008 and initiated the inspection of all Parks Canada bridges. In 2008/09, the Agency trained approximately 150 staff on the application of the Bridge Inspection Directive. Parks Canada also proceeded with the implementation of this directive so that all bridges will have a current inspection by March 2010.

Performance Indicator 3

	Target and Date	Results as of March 2009	Performance Status
Through highways accessibility due to asset condition	No closure of through highways due to asset condition	0 days of closure	Met All
National Highway System Reports and Studies: http://www.comt.ca/english/reports-e.htm			

Performance Analysis

Parks Canada observed no closures of through highways due to asset condition. Parks Canada manages 1,026 kilometres of through highways in 17 national parks and one national historic site. These highways range in length from 149.4 kilometres in Banff National Park, 80.6 kilometres in Cape Breton, to 19 kilometres in Fundy National Park, and 2.4 kilometres at the L'Anse aux Meadows National Historic Site.

With costs estimated at \$37 million, Parks Canada proceeded with the twinning (two-directional widening) of the Trans-Canada Highway near Banff. Twinning of the Trans-Canada highway provides much-needed redundancy and provides Parks Canada with the ability to conduct major repairs to this vital transportation link without closure of the highway. A total of 9 kilometres, including associated bridges, wildlife fencing and crossing structures, is nearing completion. This is expected to lead to a significant improvement in safety by addressing the current congestion problem at this section of the highway. The Agency initiated an additional \$130 million project over the next five years, funded through Canada's Economic Action Plan, to continue the twinning of the Trans-Canada Highway to the British Columbia border. Parks Canada also developed specific measures to assess the effect of through highways on the environment and they are currently being implemented through the ecological integrity monitoring system.

Lessons Learned

Parks Canada owns a wide variety of assets, such as buildings, bridges, dams, utilities, roadways and waterways. To improve the management of these assets, Parks Canada initiated the Real Property Management System (RPMS) project which, in addition to acquiring a new software system, introduces common national business processes that will be mandatory for all national parks and national historic sites. As part of these business processes, the RPMS project will develop a nationally consistent method of assessing the condition of assets, a uniform definition of what constitutes an asset and procedures for managing these assets. This will enable the timely and accurate compilation of information in a nationally consistent manner. Full implementation of the RPMS project is expected to take approximately three years, ending in October 2012.

SECTION 3:

SUPPLEMENTARY INFORMATION

List of Supplementary Information Tables

All electronic supplementary information tables found in the 2008/09 Performance Report can be found on the Treasury Board of Canada's website at: <http://www.tbs-sct.gc.ca/dpr-rmr/2008-2009/index-eng.asp>.

Sources of Respendable and Non-Respendable Revenue
User Fees/External Fees
Details on Project Spending
Details on Transfer Payment Programs (TPPs)
Response to Parliamentary Committees and External Audits
Internal Audits and Evaluations

Sustainable Development Strategy

The Parks Canada Agency is required to submit a Sustainable Development Strategy (SDS). The Parks Canada Agency 2007/2009 SDS is available on-line at www.pc.gc.ca under Library.

The Parks Canada Agency operates in the sphere of sustainable development. Its mandate, "to protect and present ... examples of natural and cultural heritage ... for present and future generations," aligns perfectly with the government commitment to "development that meets the needs of the present without compromising the ability of future generations to meet their needs."

The 2008/09 Parks Canada priorities and performance expectations published in the *Corporate Plan 2008/09–2012/13* mirror those in the 2007/2009 SDS. As this Performance Report presents the Agency's performance against the expected results and performance expectations contained in the *Corporate Plan 2008/09–2012/13*, no separate reporting on SDS commitments will be provided.

National Survey of Canadians

Parks Canada measured its Strategic Outcome (personal connection) and Program Activity 3 performance using the National Survey of Canadians (NSC). The NSC was designed to capture the level of knowledge and awareness of the Canadian public in order to provide information to senior officials and managers of national parks, national historic sites and national marine conservation areas about Canadians' attitudes towards natural and cultural heritage; their awareness and understanding of the Agency, along with its programs and

responsibilities; and their appreciation of the places administered by Parks Canada and general support for the Agency's mandate and activities.

The NSC is a national telephone survey of a representative sample of Canadians (based on Statistics Canada's population statistics).⁶ The survey was composed of 40 questions, which took approximately 20 minutes to administer, and was conducted in the official language of choice of the participant. The survey was administered to 48,436 Canadian residents aged 18 and older between March 2 and March 30, 2009,⁷ and 3,779 residents completed the survey, resulting in a response rate of eight percent – the industry standard for telephone surveys today. Based on the size of the sample, the results of the survey are considered accurate 19 times out of 20 (95% level of confidence).⁸

Visitor Information Program (VIP)

The Visitor Information Program (VIP) uses a standard questionnaire to provide information to managers of national parks, national historic sites and national marine conservation areas about their visitors, including their use of products and services, their satisfaction with products and services, and other aspects of their visit. Selection of individual protected places to participate in the VIP each year is aligned, as much as possible, with the timing of management planning and reporting requirements. The results from an individual VIP questionnaire do not apply to all visitors throughout the year at a particular national park, national historic site or national marine conservation area, or to visitors who did not visit the surveyed location, or to other national parks, national historic sites or national marine conservation areas in the system that did not invite visitors to complete the questionnaire. The national parks, national historic sites and national marine conservation areas that participate in the VIP program over a five-year cycle account for 98 percent of the total recorded visits to heritage places administered by Parks Canada.

There were approximately 2.1 million person-visits to the 15 surveyed locations during the peak survey period of June to September 2008. At the four national parks surveyed, 1,919 visitors were asked to participate. Of those, 1,528 agreed to participate and 603 questionnaires were completed and returned. At the 11 national historic sites surveyed, 11,133 visitors were asked to participate. Of that number, 8,948 visitors agreed to participate, and 3,988 questionnaires were completed and returned. The response rate (i.e., the percentage of visitors approached to participate in the survey who returned questionnaires) for heritage places surveyed in 2008/09 was 35 percent (overall average). Among the 11 national historic sites, the response rates were between 10 percent and 84 percent. With the exception of one very low response rate (10%), the response rates for national historic sites are consistent with previous years. Response rates for the four national parks ranged between 22 percent and 48 percent.

SECTION 4: AUDITED FINANCIAL STATEMENTS

PARKS CANADA AGENCY

Management Responsibility for Financial Statements

The accompanying financial statements of the Parks Canada Agency are the responsibility of management and have been approved by the Executive Board of the Agency as recommended by the Audit Committee of the Agency.

These financial statements have been prepared by management in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector, and year-end instructions issued by the Office of the Comptroller General. They include amounts that have been estimated according to management's best judgement. Where alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has prepared the financial information presented elsewhere in this Performance Report and has ensured that it is consistent with that provided in the financial statements.

Management has developed and maintains books of accounts, records, financial and management controls and information systems. They are designed to provide reasonable assurance that the Agency'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 the *Financial Administration Act* and regulations, the *Parks Canada Agency Act*, and internal policies of the Agency. Internal audits are conducted to assess the performance of management controls and practices.

The Audit Committee is responsible for receiving all reports from internal audit, evaluation and review studies for information and/or recommending for approval. The Committee also receives and reviews plans and reports by the Agency's external auditor and actively solicits her advice about the quality of the Agency's management system and information for decision-making.

The Agency's external auditor, the Auditor General of Canada, has audited the financial statements and has reported on her audit to the Chief Executive Officer of the Agency and to the Minister of the Environment.

Original signed by

Alan Latourelle
Chief Executive Officer

July 31, 2009

Original signed by

Céline Gaulin
Chief Financial Officer



AUDITOR'S REPORT

To the Chief Executive Officer of Parks Canada Agency and the Minister of the Environment

I have audited the statement of financial position of Parks Canada Agency as at March 31, 2009 and the statements of operations, equity of Canada and cash flow for the year then ended. These financial statements are the responsibility of the Agency'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 Agency as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Sylvain Ricard, CA
Assistant Auditor General
for the Auditor General of Canada

Ottawa, Canada
July 31, 2009

PARKS CANADA AGENCY

Statement of Financial Position as at March 31

(in thousands of dollars)

	2009	2008
Assets		
Financial assets		
Cash entitlements (Note 3)		
General operations account	80,568	66,091
Specified purpose accounts	3,214	2,730
New parks and historic sites account	21,228	11,177
	105,010	79,998
Accounts receivable	10,047	10,503
	115,057	90,501
Non-financial assets		
Prepaid expenses	6,946	6,019
Inventory of consumable supplies (Note 4)	5,862	6,025
Tangible capital assets (Note 5)	1,488,953	1,459,406
Collections and archaeological sites (Note 6)	1	1
	1,501,762	1,471,451
	1,616,819	1,561,952
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities		
Federal government departments and agencies	20,337	13,907
Others	68,724	62,548
	89,061	76,455
Employee future benefits (Note 8)	6,358	5,155
Provision for environmental clean-up (Note 9)	4,582	-
Deferred revenue (Note 7)	13,912	12,298
	113,913	93,908
Long-term liabilities		
Employee future benefits (Note 8)	59,784	50,559
Provision for environmental clean-up (Note 9)	38,851	42,018
	212,548	186,485
Equity of Canada	1,404,271	1,375,467
	1,616,819	1,561,952

Contingencies and commitments (Notes 9 and 14)

The accompanying notes are an integral part of the financial statements.

Approved by:

Original signed by

Alan Latourelle
Chief Executive Officer

Original signed by

Céline Gaulin
Chief Financial Officer

PARKS CANADA AGENCY

Statement of Operations for the Year Ended March 31

(in thousands of dollars)

	2009	2008
Expenses (Note 10)		
Parks Canada Program Activities		
Heritage Places Establishment	19,931	17,554
Heritage Resources Conservation	218,299	216,881
Public Appreciation and Understanding	52,380	48,090
Visitor Experience	272,767	257,971
Townsite and Throughway Infrastructure	48,382	48,665
	611,759	589,161
Amortization of tangible capital assets	80,359	77,590
Total expenses	692,118	666,751
Revenues (Note 11)	109,926	109,927
Net cost of operations (Note 12)	582,192	556,824

The accompanying notes are an integral part of the financial statements.

PARKS CANADA AGENCY

Statement of Equity of Canada for the Year Ended March 31

(in thousands of dollars)

	2009	2008
Balance at beginning of year	1,375,467	1,353,741
Net cost of operations	(582,192)	(556,824)
Services received without charge (Note 13)	44,498	41,616
Net cash provided by Government	541,486	534,101
Change in cash entitlements	25,012	2,833
Balance at end of year	1,404,271	1,375,467

The accompanying notes are an integral part of the financial statements.

PARKS CANADA AGENCY

Statement of Cash Flow for the Year Ended March 31

(in thousands of dollars)

	2009	2008
Operating activities		
Net cost of operations	582,192	556,824
Items which do not involve cash:		
Amortization of tangible capital assets	(80,359)	(77,590)
Net loss on disposal of tangible capital assets	(2,276)	(661)
Services received without charge	(44,498)	(41,616)
Variations in Statement of Financial Position:		
(Decrease) increase in accounts receivable	(456)	2,189
Increase in prepaid expenses	927	569
(Decrease) increase in inventory of consumable supplies	(163)	787
Increase in accounts payable and accrued liabilities	(12,606)	(3,212)
Increase in deferred revenues	(1,614)	(127)
Increase in employee future benefits	(10,428)	(1,685)
Increase in provision for environmental clean-up	(1,415)	(1,990)
Cash used in operating activities	429,304	433,488
Capital investment activities		
Acquisitions and improvements to tangible capital assets	112,615	100,934
Proceeds on disposal of tangible capital assets	(433)	(321)
Cash used in capital investment activities	112,182	100,613
Net cash provided by Government	541,486	534,101

The accompanying notes are an integral part of the financial statements.

PARKS CANADA AGENCY

Notes to Financial Statements for the Year Ended March 31, 2009

(Tables in thousands of dollars)

1. Authority and Objectives

In December 1998, Parks Canada Agency (the Agency) was established under the *Parks Canada Agency Act* as a departmental corporation and acts as an agent of Her Majesty in right of Canada. The Parks Canada Agency is a separate entity listed under Schedule II of the *Financial Administration Act* and reports to the Minister of the Environment. The Agency is not subject to the provisions of the *Income Tax Act*.

The Agency's mandate is to protect and present nationally significant examples of Canada's natural and cultural heritage, and foster public understanding, appreciation and enjoyment in ways that ensure the ecological and commemorative integrity of these places for present and future generations. In carrying out its mandate, the Agency delivers the programs set out in the Agency's legislation and authorities.

The authorities for the programs for which Parks Canada is responsible are mainly derived from the *Parks Canada Agency Act*, the *Canada National Parks Act*, the *Historic Sites and Monuments Act*, the *Canada National Marine Conservation Areas Act*, the *Department of Transport Act*, and the *Heritage Railway Stations Protection Act*.

2. Significant Accounting Policies

The Agency's financial statements are prepared in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector, and year-end instructions issued by the Office of the Comptroller General.

a) Parliamentary appropriations:

The Agency is financed mainly by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Agency do not parallel financial reporting according to Canadian generally accepted accounting principles, as they are based in a large part on cash flow requirements. Consequently, items recognized in the Statement of Operations and the Statement of Financial Position are not necessarily the same as those provided through appropriations from Parliament. Note 12 provides a high level reconciliation between bases of reporting.

b) Deferred revenue:

Deferred revenue includes revenues received in advance of the services to be provided and funds received from external parties for specified purposes. Deferred revenue is recognized as revenue when the services are provided.

c) Inventory of consumable supplies:

Inventories consist of consumable supplies not intended for re-sale. They are valued at cost. If they no longer have service potential, they are valued at the lower of cost or net realizable value.

d) Tangible capital assets:

Tangible capital assets, excluding land, transferred to the Agency as at April 1, 1999, are recorded at their estimated historical cost, less accumulated amortization. Construction in progress are not amortized. The costs of construction in progress are transferred to the appropriate asset category

upon completion and are amortized once in service. The estimated historical cost of the assets was established by deflating the current replacement cost to the year of acquisition or construction using factors based on changes in price indices over time. This approach also took into consideration the overall asset condition and the cost of any improvements and major repairs since the original acquisition or construction of the tangible capital assets.

Tangible capital assets, excluding land, acquired after April 1, 1999, are recorded at cost. Tangible capital assets, excluding land, acquired at nominal cost or by donation, are recorded at market value at the time of acquisition and a corresponding amount is credited directly to the Equity of Canada. The tangible capital assets acquired with financial assistance from another government are recorded at their net cost. Improvements that extend the useful life or service potential are recorded at cost.

Amortization is calculated on the straight-line method using rates based on the estimated useful life of the assets as follows:

Asset	Useful life
Buildings	25-50 years
Fortifications	50-100 years
Leasehold improvements	2-10 years
Improved grounds	10-40 years
Roads	40 years
Bridges	25-50 years
Canals and marine facilities	25-80 years
Utilities	20-40 years
Vehicles and equipment	3-15 years
Exhibits	5-10 years

Acquired lands are recorded at historical cost. Crown lands acquired as a result of Confederation or the subsequent joining of a province or territory are recorded at a nominal value. Donated lands are recorded at their estimated market value at time of acquisition with a corresponding amount credited directly to the Equity of Canada.

e) Collections and archaeological sites:

Collections and archaeological sites are recorded at nominal value.

f) Employee future benefits:

(i) Severance benefits:

The Agency accrues its obligations and the related costs as the benefits accrue to employees. The Agency's liability for employee severance benefits is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole. Employee severance benefits liabilities payable on cessation of employment represent obligations of the Agency that are normally funded by future years' appropriations.

(ii) Pension benefits:

The Agency's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of

35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation. Both, the employees and the Agency contribute to the cost of the Plan. The contributions are expensed during the year in which the services are rendered and represent the total pension obligation of the Agency. The Agency is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

g) Expenses:

Expenses are recorded on the accrual basis.

(i) Contributions:

Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.

ii) Services received without charge:

Services received without charge from other Government departments are recorded as operating expenses at their estimated cost. A corresponding amount is credited directly to the Equity of Canada.

h) Provision for environmental clean-up:

The Agency records a liability for environmental clean-up in situations where the Agency is obligated or is likely to be obligated to incur costs related to the remediation and removal of contaminated material from environmentally contaminated sites, and the cost can be reasonably estimated following a detailed environmental assessment. If the likelihood of the Agency's obligation to incur these costs is not determinable, or if an amount cannot be reasonably estimated, the costs are disclosed as contingent liabilities in the notes to the financial statements.

i) Revenue recognition

Entrance fees, recreational fees, rentals and concessions, other operating, townsites and staff housing revenues are recognized in the year in which the goods or services are provided by the Agency. Funds received for future services are recorded as deferred revenue.

j) 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 revenues and expenses for the year. Employee-related liabilities, estimated useful lives of tangible capital assets, environment-related liabilities and claims are the most significant items where estimates are used. Actual results could differ significantly from those estimated.

3. Cash Entitlements

The Agency operates within the Consolidated Revenue Fund (CRF) which is administered by the Receiver General for Canada. All cash received by the Agency is deposited to the CRF and all cash disbursements made by the Agency are paid from the CRF.

Included in cash entitlements are the following:

a) General operations account:

Cash Entitlement for general operations represents the amount of cash that the Agency is entitled to draw from the Consolidated Revenue Fund of the Government, without further appropriations. As at March 31, 2009, the balance of the general operations account is \$80.6 million (\$66.1 million in 2008).

b) Specified purpose accounts:

Cash Entitlement for specified purpose accounts represents money received from external organizations which must be used for the purposes for which they are received. As at March 31, 2009, the Agency has a balance of \$3.2 million (\$2.7 million in 2008) for specified purpose accounts.

c) New parks and historic sites account:

The Government of Canada includes in its receipts and expenditures the transactions of certain consolidated accounts established for specified purposes. The *Parks Canada Agency Act* requires that the receipts of the specified purpose account be earmarked and that the related payments and expenses be charged against such receipts. The transactions do not represent liabilities to third parties but are internally restricted for specified purposes.

Funds are provided to the New parks and historic sites account by parliamentary appropriations, proceeds from the sale of lands and buildings that are surplus to operational requirements and all general donations. Furthermore, the Minister of Finance, may, on the request of the Minister of the Environment, authorize the making of advances of up to \$10.0 million to the New parks and historic sites account. All amounts received remain in this account until eligible expenditures are made for the purpose of establishing or developing new parks or historic sites and heritage areas, in compliance with the terms and conditions set out in the *Parks Canada Agency Act* and related Treasury Board directives.

Details of activities for the year ended March 31 are highlighted in the following analysis:

	2009	2008
Available at beginning of year	11,177	13,902
Receipts:		
Parliamentary appropriation	12,500	500
Proceeds on disposal of tangible capital assets	424	310
Donations	65	64
	12,989	874
Expenditures:		
Capital expenditures	2,938	3,599
	2,938	3,599
Available at end of year	21,228	11,177

4. Inventory of Consumable Supplies

The inventory of consumable supplies as at March 31 consists of the following:

	2009	2008
Top soil, sand, gravel and other crude material	1,061	972
Stationery, office and miscellaneous supplies	893	931
Equipment, materials and supplies	883	660
Fuel and other petroleum products	756	859
Printed books, publications and maps	662	862
Safety equipment	542	513
Fabricated wood and metal products	522	451
Construction material and supplies	423	588
Uniforms and protective clothing	120	189
	5,862	6,025

5. Tangible Capital Assets

	Closing historical cost as at March 31, 2008	Net additions ⁽¹⁾ for the year ended March 31, 2009	Closing historical cost as at March 31, 2009	Accumulated amortization as at March 31, 2009	Net book value as at March 31, 2009	Net book value as at March 31, 2008
Buildings, fortifications and leasehold improvements	811,312	21,522	832,834	518,785	314,049	312,946
Improved grounds	596,072	4,272	600,344	526,275	74,069	85,238
Roads	1,001,881	30,588	1,032,469	643,020	389,449	376,224
Bridges	191,133	24,358	215,491	89,711	125,780	104,897
Canal and marine facilities	553,740	3,917	557,657	284,340	273,317	278,195
Utilities	197,137	11,139	208,276	104,953	103,323	96,513
Vehicles and equipment	130,909	5,147	136,056	101,677	34,379	31,549
Exhibits	106,082	578	106,660	92,889	13,771	14,927
	3,588,266	101,521	3,689,787	2,361,650	1,328,137	1,300,489
Land (Note 2d)						
-Acquired land	139,024	1,899	140,923	-	140,923	139,024
-Crown land	1	-	1	-	1	1
-Donated land	19,892	-	19,892	-	19,892	19,892
	158,917	1,899	160,816	-	160,816	158,917
Total tangible capital assets	3,747,183	103,420	3,850,603	2,361,650	1,488,953	1,459,406

⁽¹⁾ includes all acquisitions, dispositions and write-offs in the year.

The Agency owns over 27 million hectares of land, the majority of which comprise the 42 national parks and national park reserves representing 28 of the 39 natural regions of Canada. During the year, the Agency spent \$1.9 million (\$2.1 million in 2008) on the acquisition of land. The total cost of tangible capital assets includes \$98.9 million (\$123.4 million in 2008) of construction in progress.

6. Collections and Archaeological Sites

Core to the Agency's mandate to protect and present nationally significant examples of our cultural heritage is the management of collections and archaeological sites. Although not capitalized like other cultural assets such as buildings or fortifications, these treasures have inestimable cultural value.

a) Collections:

The Agency manages collections that are made up of archaeological and historical objects.

The collection of archaeological objects includes specimens and records that represent a cross-section of human habitation and activities. These holdings consist of a range of functional groups of artifacts that represent domestic activities to industrial processes and includes tools, ships' fittings, as well as soil and botanical samples.

The collection of historic objects dates from the 10th century to the present day. They encompass ethnographic material, civilian, military and fur trade items, furniture and furnishings, tools and documents.

In addition, the Agency manages a collection of reproductions including period costumes, tools and furniture that have been copied from original objects or made based on historical data.

b) Archaeological sites:

An archaeological site encompasses surface, subsurface, or submerged remains of human activity. Archaeologists define a site by identifying the different activities that were conducted within an area. There are many archaeological sites identified within Canada's 162 national historic sites, 42 national parks, and 3 marine conservation areas. The types of sites vary greatly, from Aboriginal villages, hunting camps, observation areas, and animal processing areas, to European fur trade and military posts, battlefields, shipwrecks, homesteads, and transportation and industrial sites.

7. Deferred Revenue

Included in the deferred revenue total of \$13.9 million (\$12.3 million in 2008) is an amount of \$10.7 million (\$9.6 million in 2008) representing the balance, at year end, for entrance fees, recreational fees, and rentals/concessions fees collected in advance.

The remaining \$3.2 million (\$2.7 million in 2008) of deferred revenue, represents monies received from other organizations which must be used for specified purposes.

8. Employee Future Benefits

a) Severance benefits:

The Agency provides severance benefits to its employees based on years of service and final salary. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation. Benefits will be paid from future appropriations. Information about the plan, measured as at the Statement of Financial Position date, is as follows:

	2009	2008
Accrued benefit obligation, beginning of year	55,714	54,029
Cost for the year	15,495	6,559
Benefits paid during the year	(5,067)	(4,874)
Accrued benefit obligation, end of year	66,142	55,714
Short-term portion	6,358	5,155
Long-term portion	59,784	50,559
	66,142	55,714

b) Pension benefits:

The Agency and all eligible employees contribute to the Public Service Pension Plan. This pension plan provides benefits based on years of service and average earnings at retirement. The Agency's and employees' contributions to the Public Service Pension Plan for the year were as follows:

	2009	2008
Agency's contributions	35,894	35,799
Employees' contributions	14,956	14,916

9. Contingencies

a) Claims:

In the normal course of business, claims have been made against the Agency. The current best estimate of the amount likely to be paid in respect of these claims and potential claims has been recorded. The total contingent liability amount related to the claims has been estimated at \$7.3 million (\$13.8 million in 2008), excluding interest, for alleged damages in regards to the application of leases and personal injury. The details of cases and extent of claims are not disclosed for sensitive reasons. In the opinion of management, the position of the Agency in all of these actions is defensible.

b) Provision for environmental clean-up:

The Agency has identified 427 sites that are known or suspected of contamination. Based on the information available and detailed studies conducted thus far on 387 of these sites, the Agency has estimated and recorded a liability of \$43.4 million (\$42 million in 2008). The Agency has estimated additional clean-up costs of \$148.6 million (\$138.4 million in 2008) that are not accrued, as these are not considered likely to be incurred at this time. The Agency's ongoing efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. These liabilities will be accrued in the year in which they become known.

c) Classification review:

In 1999, the Agency initiated a national classification review which has as its objective to correct inconsistencies in how positions are being classified and compensated when employees are performing similar duties. This initiative is still underway but is expected to be completed in fiscal year 2010. At this time, the Agency cannot assess with certainty the full impact of this initiative on its operations. As of March 31st 2009, management has recorded a liability of \$0.9 million (\$2.4 million in 2008) based on its best estimate. Actual results may differ significantly from the current estimates and any impact of these changes or additional amounts will be reflected in the period it is known and determinable.

10. Summary of Expenses by Major Classification

	2009	2008
Salaries and employee benefits	383,555	366,863
Amortization	80,359	77,590
Professional and special services	58,427	61,000
Utilities, materials and supplies	51,820	50,220
Transportation and communication	33,326	33,080
Grants and contributions	18,870	15,061
Accommodation received without charge (Note 13)	15,574	15,405
Rentals	14,341	15,609
Payments in lieu of taxes	12,051	11,550
Repairs and maintenance	11,969	9,651
Information	6,285	5,925
Environmental clean-up	3,231	3,616
Net loss on disposal of tangible capital assets	2,276	661
Miscellaneous expenses	34	520
	692,118	666,751

11. Summary of Revenues by Major Classification

	2009	2008
Entrance fees	56,167	54,338
Recreational fees	22,866	23,206
Rentals and concessions	17,288	18,162
Other operating revenues	7,914	8,297
Townsites revenues	2,940	3,466
Staff housing	2,751	2,458
	109,926	109,927

12. Parliamentary Appropriations

a) Appropriations used:

	2009	2008
Appropriations voted:		
Vote 25 - Program expenditures	537,507	532,806
Vote 30 - New parks and historic sites account	12,500	500
Statutory appropriations:		
Revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	114,236	107,328
Contributions to employee benefits plan	48,170	48,547
Total appropriations	712,413	689,181
Less:		
Amount available in future years	32,389	48,638
Current year appropriations used	680,024	640,543

b) Reconciliation of net cost of operations to current year appropriations used :

	2009	2008
Net cost of operations	582,192	556,824
Revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	114,236	107,328
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Amortization of tangible capital assets	(80,359)	(77,590)
Services received without charge (Note 13)	(44,498)	(41,616)
Net loss on disposal of tangible capital assets	(2,276)	(661)
	(127,133)	(119,867)
Changes in accounts affecting net cost of operations but not affecting appropriations:		
Vacation pay included in the accounts payable and accrued liabilities	(607)	135
GST included in the accounts payable and accrued liabilities	182	554
Employee future benefits	(10,428)	(1,685)
Provision for environmental clean-up	(1,415)	(1,990)
	(12,268)	(2,986)
Adjustments for items not affecting net cost of operations but affecting appropriations:		
Acquisitions and improvements to tangible capital assets	112,615	100,934
Proceeds on disposal of tangible capital assets	(433)	(321)
Change in prepaid expenses	927	569
Change in inventory of consumable supplies	(163)	787
Change in New parks and historic sites account	10,051	(2,725)
	122,997	99,244
Current year appropriations used	680,024	640,543

c) Reconciliation of net cash provided by government to current year appropriations used:

	2009	2008
Net cash provided by government	541,486	534,101
Revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	114,236	107,328
Changes in accounts not affecting net cash provided by government but affecting appropriations :		
Accounts receivable	456	(2,189)
Accounts payable and accrued liabilities	12,606	3,212
Less : Vacation pay included in the accounts payable and accrued liabilities	(607)	135
Less : GST included in the accounts payable and accrued liabilities	182	554
Deferred revenue	1,614	127
New parks and historic sites account	10,051	(2,725)
	24,302	(886)
Current year appropriations used	680,024	640,543

13. Related Party Transactions

a) Transactions in the normal course of business:

The Agency is related in terms of common ownership to all Government of Canada departments, agencies, and Crown corporations. The Agency enters into transactions with these entities in the normal course of business and on normal trade terms that would apply to all individuals and enterprises.

The Agency incurred capital expenditures and expenses with related parties for a total of \$109.2 million (\$111.8 million in 2008) for services provided by Government departments, including an amount of \$100.9 million (\$103.8 million in 2008) with Public Works and Government Services Canada mostly related to architectural and engineering services of \$65.7 million (\$73.1 million in 2008) and payments in lieu of taxes of \$12 million (\$11.5 million in 2008). Revenues generated from related parties amounted to \$1.7 million (\$1.2 million in 2008).

b) Services received without charge:

During the year, the Agency received services without charge which are recorded at their estimated cost in the financial statements as follows:

	2009	2008
Contributions covering employer's share of employees' insurance premiums and costs paid by Treasury Board Secretariat	23,821	20,526
Accommodation provided by Public Works and Government Services Canada	15,574	15,405
Services provided by the Department of Canadian Heritage for information management, information technology, finance, human resources and administrative support	3,431	3,864
Salary and associated costs of legal services provided by Justice Canada	834	1,146
Other services received without charge	838	675
	44,498	41,616

14. Commitment

- a) The Agency has entered into agreements for operating leases of equipment and accommodations for a total of \$9.2 million (\$11.6 million in 2008). The agreements show different termination dates, with the majority ending within the next twenty years. Minimum annual payments under these agreements for the next five years and beyond are approximately as follows:

2009-10	1,166
2010-11	880
2011-12	741
2012-13	667
2013-14	617
2014-15 and beyond	5,099

- b) The Agency has entered into contracts for operating and capital expenditures for approximately \$111.1 million (\$107.4 million in 2008). The majority of payments under these contracts are expected to be made over the next two years.

15. Comparative Figures

Some of the previous year's comparative figures have been reclassified to conform to the current year's presentation.

END NOTES

- ¹ Parks Canada fixes the number of national historic sites on April 1 of each year and keeps it the same until March of the following year. On March 31, 2008, that number was 158. The number of national historic sites fluctuates because the Historic Sites and Monuments Board of Canada is currently reviewing the status of some of its historic designations dating back to the early 1900s. This work has resulted in the changing of national historic events to national historic sites, splitting a single site into two designations. Three sites fall into this category: Fort Sainte Marie de Grace; D’Anville Encampment; and Forts Rouge, Garry and Gibraltar have all been identified as discrete national historic sites administered by Parks Canada in the last year. A fourth site, 57-63 St. Louis Street, was accidentally omitted from the count last year. This Performance Report was produced after the Parks Canada Agency *Corporate Plan 2009/10–2013/14* was published. This accounts for the discrepancy in the two documents regarding the number of national historic sites administered by Parks Canada.
- ² The Ecological Integrity Priority Themes Fund ended in 2008. However, several projects received funding for 2009 through a separate funding source.
- ³ Source: The 2006 Parks Canada National Survey of Canadians and the 2009 Parks Canada National Survey of Canadians.
- ⁴ National parks with an already acceptable ecological integrity status: Aulavik National Park, Auyuittuq National Park, Ivvavik National Park, Quttinirpaaq National Park, Sirmilik National Park, Torngat Mountains National Park, Tuktut Nogait National Park, Ukkusiksalik National Park, Vuntut National Park and Wapusk National Park.
- ⁵ Based on the Treasury Board rating system, the performance achieved for Program Activity 2, Performance Indicator 2, has been determined as Mostly Met the performance expectation. The rating was calculated using the 70 percent target as full accomplishment (70% improvement = 100% accomplishment). Therefore, the 60 percent result actually rendered an 85.7 percent achievement of the goal ($60 \div 70 \times 100 = 85.7$), justifying the Mostly Met rating.
- ⁶ The National Survey of Canadians was re-designed in 2008/09 to accommodate Parks Canada’s new performance expectations.
- ⁷ Approval to proceed with the National Survey of Canadians occurred in December 2008. The contractor was hired in January 2009; final internal approval on the survey instrument was granted in late February 2009.
- ⁸ Margin of error is +/- 1.6 percent.