



PARKS CANADA AGENCY

PERFORMANCE REPORT

*for the period ending
March 31, 2008*



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

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Rabbit
Wapusk NP (MB)

Ottawa Locks
Rideau Canal
NHS (ON)

Interpretation
Fundy NP (NB)

Flowers
Aulavik NP (NT)

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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Increase the number of represented terrestrial regions from 25 in March 2003 to 30 of 39 by March 2008	33
Increase the number of represented marine regions from two in March 2003 to four of 29 by March 2008	34
Designate, on average, 24 new places, persons and events per year	36
Develop fully functioning ecological integrity monitoring and reporting systems for all national parks by March 2008	37
Improve aspects of the state of ecological integrity in each of Canada's 42 national parks by March 2014	38
Improve 75% of the elements of commemorative integrity rated as poor to at least fair condition, within five years of the original assessment	42
Develop indicators, expectations and protocols for measuring public appreciation and understanding of Canadians and stakeholders by May 2007	45
50% of visitors to national parks and national marine conservation areas and 80% of visitors to national historic sites will participate in learning experiences at all surveyed sites	47
85% of visitors are satisfied, and 50% are very satisfied, with their experience at all surveyed sites	48

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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 2007-2008 year was one of achievement for Parks Canada under the leadership of my predecessor, the Honourable John Baird,

and this performance report confirms, once again, the Agency's ability to protect and present some of our most enduring and cherished national symbols: our national parks, national historic sites and national marine conservation areas, so that all Canadians can experience and appreciate them and that they are available for future generations.

In November 2007, the Tourism Industry Association of Canada recognized Parks Canada's efforts to provide top of the line services to its visitors and awarded the Agency the Business of the Year Award in recognition of its significant contribution to the tourism industry. This prestigious prize highlights the outstanding work of the team of committed employees at Parks Canada, and of the invaluable Aboriginal, government, community and other partners working hand in hand with Parks Canada to protect and present Canada's heritage places.

In the summer of 2007, one of our most famous national historic sites reached new heights of success: while celebrating its 175th anniversary,

the Rideau Canal National Historic Site of Canada became Canada's 14th World Heritage Site. The Rideau Canal, including Fort Henry and the Kingston Fortifications, officially joined this prestigious list during the 31st session of the UNESCO World Heritage Committee held in June 2007 in Christchurch, New Zealand.

In addition to delivering its own mandate, Parks Canada contributes to four of the thirteen Government of Canada priority outcomes through meaningful approaches aimed at fostering a vibrant Canadian culture and heritage, a cleaner and healthier environment, safe and secure communities as well as creating learning and tourism opportunities that support economic growth.

As Minister responsible for Parks Canada, I am personally committed to protecting and presenting the natural and historic heritage of our country. I share this commitment with our Government, which has demonstrated its diligence through a number of initiatives undertaken with land withdrawals totalling approximately 70,000 square kilometres in northern Canada including the massive expansion of Nahanni National Park Reserve. The greater Nahanni ecosystem has remained, fortunately, a large, relatively intact wilderness area and our Government is committed to preserving it that way.

The work of Parks Canada is vital. Not only does it offer a window on Canada's history, a starting point for discovery, exploration and appreciation of the Canadian natural and cultural heritage, but it also serves as an inspiration for the next generation of stewards of our land, culture and historic heritage.

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



I am proud to submit this Performance Report, highlighting the achievements of the Parks Canada Agency from April 1, 2007 to March 31, 2008. The results presented in the 2007-2008 Performance Report build on the successes described in previous annual reports.

The Parks Canada Agency, with its 4,315 employees, 42 national parks covering 275,000 square kilometres, three national marine conservation areas, and its program of 935 national historic sites, 158 of which are directly administered by Parks Canada, celebrates the 10th anniversary of its establishment as a federal agency.

Again this year, we have made progress towards achieving our corporate goals. The creation of a national marine conservation area in Lake Superior, the designation of 45 new places, persons and events of national historic significance, a pilot project resulting in increased visitation to three of our national historic sites, the withdrawal of more than 70,000 square kilometres of land for park purposes, including some 30,000 square kilometres in the Nahanni National Park Reserve, and the implementation of innovative projects to improve the ecological integrity of national parks are only some examples of achievements outlined in this report.

To achieve such positive results in the context of tremendous and complex challenges brought about

by various internal and external factors such as climate change and a changing social environment, we have focussed our efforts on increasing our knowledge and understanding of ecosystems, community engagement and of Canadian and international travellers, and showing respect to Canada's Aboriginal peoples by creating new governance models built on trust and respect.

We have also developed effective partnerships with the tourism industry, environmental groups and other partners. These improved collaborations help us enhance the experiential opportunities available to visitors, so that Canadians can continue to enjoy Canada's protected special places and form personal connections with their country's natural and historic treasures. I am greatly encouraged by all that Parks Canada has been able to accomplish in the recent months and very proud that the Agency was named 2007 Business of the Year by the Tourism Industry Association of Canada.

Each of Canada's protected heritage places is part of Canada's collective soul, and a part of our nation's promise to its future. Visitors come to Parks Canada's places for various reasons, a passion for history, a desire to test their physical stamina, or to be alone with the stillness and the awe of Canada's wide-open spaces. Parks Canada clearly demonstrates its ability to ensure that each visitor and each new generation of Canadians will be nourished by unique personal experiences that help them learn what it means to truly be one with this place we call our "home and native land".

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.

Financial Resources (\$ Thousands)

2007-2008		
Planned Spending	Total Authorities	Actual Spending
607,636	689,181	634,043

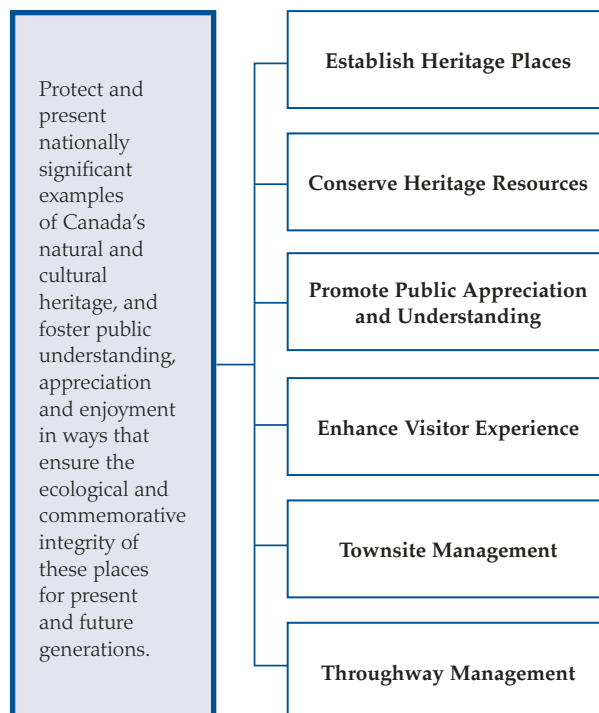
For fiscal year 2007-2008, the Agency's total authorities reflect an increase of \$81.5M over the planned spending. This increase is due to the fact that the Agency received confirmation of additional funding after preparation of the planned spending figures included in the *2007-2008 Corporate Plan*. This increase includes funding for such items as the implementation of the *Species at Risk Act*, assessment, management and remediation of federal contaminated sites, forest fire suppression and the Agency's carry forward of funds from the previous fiscal year.

Human Resources (FTEs*)

2007-2008		
Planned	Total	Difference
4,161	4,315	154

*Full-time equivalents

Strategic Outcome and Program Activity Architecture



Parks Canada's Strategic Planning Framework, based on this strategic outcome and program activity architecture and published in the 2007-2008 Corporate Plan, is the basis for this reporting period.

During 2007-2008, Parks Canada reviewed its strategic outcome and program activity architecture and developed expected results and performance expectations for all levels. This new structure and related performance measurement framework will be implemented through the 2008-2009 Corporate Plan and will place the Agency in a better position to assess its performance at all levels.

Program Activity Descriptions

Program Activity	Descriptive Summary
1 Establish Heritage Places	The establishment of heritage places includes systems planning, consulting with stakeholders and the public, negotiating with other governments and Aboriginal organizations, obtaining ministerial approval, and establishing national parks and national marine conservation areas, and designating national historic sites of Canada, as well as other heritage places, for inclusion in the national systems.
2 Conserve Heritage Resources	Conserving heritage resources includes the maintenance or improvement of ecological integrity in national parks; the sustainable use of national marine conservation areas and the protection of unique marine ecosystems; ensuring the commemorative integrity of national historic sites managed or influenced by Parks Canada; and the protection and management of cultural resources under the administration of Parks Canada that are not associated with national historic sites.
3 Promote Public Appreciation and Understanding	Promoting public appreciation and understanding involves programs and activities that are aimed at reaching Canadians at home, at leisure, at school and in their communities with relevant information and innovative learning opportunities that respond to their needs and interests.
4 Enhance Visitor Experience	The visitor experience is the cumulative outcome of all aspects of each visit, including interactions with Parks Canada and its partners. It includes client focused services, programs and infrastructure that support the provision of pre- and post on-site trip planning information, reception and orientation, interpretation, campgrounds, hiking trails and other recreational activities, visitor safety and the ongoing post-visit relationship.
5 Townsite Management	Townsite management activities include the operation of five townsites within Canada's national parks, and the provision of municipal services such as drinking water, snow removal, garbage pick-up and disposal, sewage treatment, road and street maintenance, and fire services to support visitors and residents.
6 Throughway Management	Throughway management involves the operation, maintenance and repair of roads, bridges, provincial and inter-provincial highways and waterways that connect communities and pass through national parks and national historic sites. Parks Canada is also responsible for nine national historic canals and waterways, including the Trent-Severn Waterway and the Rideau, Lachine and Chambly canals.

Agency Progress Toward its Strategic Outcome

During the 2007-2008 reporting period, Parks Canada made progress...

To protect and present...

- By making progress on the expansion of one national park;
- By acquiring land in two unfinished national parks;
- By designating 45 new places, persons and events of national historic significance;
- By unveiling 22 commemorative plaques; and
- By recommending for designation 26 federal heritage buildings.

...nationally significant examples of Canada's natural and cultural heritage...

- By increasing the number of represented marine regions through the establishment of one national marine conservation area;
- By making progress on eight projects to establish protected areas in under-represented terrestrial and marine regions; and
- By designating 27 places, persons and events related to under-represented themes in Canada's history.

...and to foster public understanding, appreciation and enjoyment in ways...

- By understanding the impacts and opportunities of a changing social environment on Parks Canada administered places in terms of communication avenues, values and requirements for activities and services;
- By increasing visitation at three out of four national historic pilot project sites as a result of adopting a more client-focused approach; and
- By sharing the leadership and building long-term relationships with partners and stakeholders.

...to ensure the ecological and commemorative integrity of these places...

- By showing an increase of 71% in the number of national parks with a functional ecological integrity monitoring system;
- By having over 70 ongoing active management and ecological integrity restoration projects in 37 national parks;
- By showing an increase of 14% in the number of national historic sites with commemorative integrity ratings; and
- By showing an improvement of 57% in the number of commemorative integrity elements previously rated as poor at six national historic sites.

...for the present and future generations.

Program Activities and Agency Priorities

In the 2007-2008 *Corporate Plan*, Parks Canada identified 14 planned results/priorities in its Strategic Planning Framework. Performance for 12 of the planned results/priorities is provided below. The remaining two, as they relate to internal services, will not be covered in this report.

Each planned result/priority has one or more performance expectation(s) which can be found throughout Figure 1 in Section 2. Performance related to these planned results/priorities has been assessed based on an overall qualitative analysis of the performance of the individual performance expectations.

ESTABLISH HERITAGE PLACES		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		24,985	19,808
Planned Results / Priorities	Type*	Performance Status	
Create national parks and national marine conservation areas in unrepresented regions.	2	60% of the five-year target has been met for national parks and 50% for national marine conservation areas.	
Complete or expand some existing parks.	2	50% of the expansion target has been met and 1,944 hectares of new land have been added to two unfinished parks.	
Designate and commemorate places, persons and events of national historic significance.	2	Parks Canada has met the target for designation of places, persons and events of national historic significance but requires a proper monitoring and reporting system for commemorative plaques installed.	
Designate other heritage places.	2	Federal heritage buildings were designated and the 2009 target will likely be met if the projections for listing of historic places on the <i>Canadian Register of Historic Places</i> by federal, provincial and territorial governments are achieved.	
CONSERVE HERITAGE RESOURCES		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		206,895	201,388
Planned Results / Priorities	Type*	Performance Status	
Maintain or improve the ecological integrity of national parks, and the sustainability of national marine conservation areas.	2	The long-term target of improving aspects of ecological integrity through active management and restoration projects will likely be met though Parks Canada must improve its capacity for developing and implementing monitoring systems for national parks and national marine conservation areas in order to meet its medium-term targets to be in a better position to assess the state of these places.	
Maintain or improve the commemorative integrity of national historic sites, and the state of other cultural resources administered by Parks Canada.	2	Parks Canada did not meet the target for improving 75% of the elements rated as poor. Of the six national historic sites reassessed during this reporting period, only 57% (4 out of 7) of the elements rated as poor were improved. Parks Canada is examining options to reallocate funding if it is to meet the target of 75% improvement.	
Support maintaining and improving the commemorative integrity of national historic sites, and the state of heritage resources not administered by Parks Canada.	2	A survey of national historic sites not administered by Parks Canada showed that a high degree of importance is placed on preserving the historic condition and commemorating the historic value of these sites; the certification process continued to be active in certification of projects under the <i>Commercial Heritage Properties Incentive Fund</i> .	

* Type: 1: new; 2: ongoing; 3: previously committed to.

PROMOTE PUBLIC APPRECIATION AND UNDERSTANDING		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		34,230	33,287
Planned Results / Priorities	Type*	Performance Status	
Encourage the support and involvement of Canadians and stakeholders and their knowledge and appreciation of Canada's heritage places.	2	Parks Canada, through the exercise of refining its program activity architecture, analysed and fine-tuned the concepts of public appreciation and understanding and will be in a position to measure them by the end of the 2008-2009 fiscal year.	

ENHANCE VISITOR EXPERIENCE		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		267,327	286,621
Planned Results / Priorities	Type*	Performance Status	
Facilitate experiences that provide learning opportunities, visitor satisfaction and personal connections.	2	Parks Canada has exceeded its targets relative to participation in learning experiences and to visitor satisfaction at all 19 locations surveyed in 2007-2008. Personal connection concept has evolved and is also identified as a key element of the new strategic outcome published in the 2008-2009 Corporate Plan.	

TOWNSITE MANAGEMENT		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		12,664	16,363
Planned Results / Priorities	Type*	Performance Status	
Provide responsible environmental stewardship and heritage conservation.	2	National park communities continue to demonstrate responsible environmental stewardship in the management of commercial growth, wastewater and contaminated sites and have sought to broaden the scope of their efforts by introducing targets for solid waste diversion and water conservation in five communities. In terms of heritage conservation, action plans to protect heritage assets have been developed and are currently being implemented in five communities.	

* Type: 1: new; 2: ongoing; 3: previously committed to.

THROUGHWAY MANAGEMENT		2007-2008 Spending (\$ Thousands)	
		Planned	Actual
		61,535	76,576
Planned Results / Priorities	Type*	Performance Status	
Provide safe highways, open to through traffic, and minimize their environmental impacts.	2	Parks Canada completed six of the nine kilometres of the Trans Canada Highway Twinning project. In addition, no closure of through highways was observed due to asset condition. An interim bridges and dams inspection directive was developed during the reporting period that will allow Parks Canada to implement a consistent methodology for completing inspections and condition ratings as well as better address high-risk areas. Specific measures to assess the impact of through highways on the environment have been developed and are currently being implemented through the ecological integrity monitoring system.	
Maintain conditions of waterways, carry out water control functions, and meet water level obligations.	2	Although Parks Canada lacks a formal national inventory and condition ratings for through waterways, a preliminary inventory of dams has been compiled. In addition, an interim bridges and dams inspection directive was developed during the reporting period that will allow Parks Canada to implement a consistent methodology for completing inspections and condition ratings as well as better address high-risk areas. Water control obligations, targets and protocols for measuring compliance are in place.	

* Type: 1: new; 2: ongoing; 3: previously committed to.

Operational Environment, Context and Challenges

Canadian Social Environment

Parks Canada is operating in a dynamic social environment. The social fabric of Canadian society is constantly evolving and for Parks Canada to continue to be relevant, Canadians need to be able to connect with Parks Canada in their homes, in their communities and in their leisure.

Canadians are aging and becoming more ethnically diverse and urbanized. The proportion of the population aged 65 and older is expected to double in the next 25 years and the elderly are projected to outnumber children in this country as early as 2015.¹ Almost one quarter of Canadians today are foreign-born, the highest proportion in almost a century, and the main source of immigrants to Canada has shifted from Western European countries to Asian countries.² In addition, Canadians, especially new immigrants, tend to concentrate in urban areas and continued growth is expected. Currently, almost half of Canada's population lives in a few urban areas with the majority of Canada's new immigrants living in the three largest urban areas (Montreal, Toronto and Vancouver).^{3,4}

Establish Heritage Places

Establishing new national parks and national marine conservation areas generally follows a five-step process (www.pc.gc.ca) that can be complex and lengthy. The length of time required reflects the need to build positive relationships based on trust and respect, complete studies to gain a better understanding of the area under consideration and negotiate establishment agreements. This work is done within the public domain and focuses on building the support of Canadians. As competition for land becomes ever greater, unforeseen circumstances can affect progress on a proposed park or national marine conservation area, making it difficult if not impossible to accurately predict the outcome and precise timeline for reaching

agreement. As part of this process, federal-provincial cooperation is critical, Aboriginal rights and court decisions play an important role and stakeholder and community interests must be considered.

Building long-term relationships is essential to a successful outcome and to build the foundation for planning, establishing and managing these new protected areas.

The National Historic Sites of Canada System Plan – comprised of places, people and events of national historic significance – is a key component of the national commemoration program. While the system plan is neither finite nor complete, the program objective is to make it more representative of Canada's history. Some of the themes and sub-themes in the plan require additional work to be more representative, and emphasis has been placed on the themes related to Aboriginal history, ethnocultural communities' history and women's history. The lack of well-substantiated sources of information represents one of the challenges in meeting this objective. Parks Canada maintains contacts with academia and monitors progress in various fields of history to stay current with historiography.

Traditionally, built heritage in Canada has been assessed with criteria that tend to exclude the buildings often associated with under-represented groups. In 1998, the Historic Sites and Monuments Board of Canada (HSMBC) developed evaluation guidelines that more closely align with the experiences of Aboriginal peoples, ethnocultural communities, and women in Canada. For example, over the reporting period, vernacular buildings such as the Chee Kung Tong building in British Columbia, the Griffin House in Ontario and Maison Saint-Gabriel in Quebec were designated as national historic sites in part because they reflect important chapters in the experience of Chinese, African Canadian and women in Canada.

There are also challenges with respect to addressing the backlog in the installation of commemorative plaques. In this reporting period, Parks Canada set

aside \$250K to assist the four field units (Ontario Southwest, Ontario East, Quebec West and Quebec) that have the largest plaque-installation backlog. This is a three-year project that includes a thorough inventory of plaques, investigation into the reasons for the backlog, clarification of questions related to commemoration and exploring more cost-effective means of unveiling, installing and maintaining the plaques. At the conclusion of this project, Parks Canada will put in place a comprehensive sustainable strategy for the commemorative plaques.

Conserve Heritage Resources

Parks Canada's conservation efforts revolve around the principles of ecological integrity of national parks, commemorative integrity of national historic sites and the sustainable use of national marine conservation areas. Demand for heritage resource conservation is exceeding available resource levels, and external factors, over which the Agency has no control or limited ability to influence, represent major challenges.

National parks seldom contain complete or intact ecosystems. In fact, national parks, generally, form part of larger ecosystems and must be managed within that context. This, combined with increasing and cumulative stress from sources such as adjacent land use, urban development, downstream effects of air and water pollution, invasion by exotic species and climate change can result in irreversible degradation of park ecosystems, and the loss of biodiversity. For more information, please consult ecosystem management in the National Parks of Canada on Parks Canada's website (www.pc.gc.ca).

To ensure success in improving the state of ecological integrity in Canada's national parks, Parks Canada is targeting investments towards priority ecological issues such as recovery actions for species at risk, active management and restoration of degraded ecosystems, restoring fire to the landscape and through the remediation of contaminated sites. The Agency is working with partners, other government agencies and Aboriginal communities to achieve these goals.

Parks Canada is responsible for a tiny fraction of Canada's built heritage assets. The vast majority are owned by other federal departments, other levels of government, the not-for-profit sector, the private sector and individuals. Research has shown that Canada has lost 20%⁵ of its built heritage to demolition in the last 30 years as development approaches and fiscal regimes have favoured new construction over conservation despite the negative environmental impact. Within governments, limited resources have posed a challenge to the maintenance of government-owned built heritage.

Conservation of Canada's built heritage is not something Parks Canada can do alone. The task requires a collaborative effort from all parties in order to build a stronger culture of heritage conservation in Canada. To this end, Parks Canada is working closely with provinces and territories through the Historic Places Initiative, and provides support to the Family of National Historic Sites (those national historic sites not administered by Parks Canada).

Promote Public Appreciation and Understanding

Methods of communication among Canadians are changing. Content is delivered today via a range of rapidly changing and adaptable technology (e.g., iPod, MP3 players, Internet) that gives Canadians access to information and social networking sites (e.g., personal blogs, Facebook), and creates opportunities for Canadians to develop and share content and views in ways unimagined just a decade ago. The pace and diversity of change in technology and related communication methods creates challenges for engaging Canadians in their home and communities. Parks Canada is seeking creative ways to use technology and be in a position to adapt quickly to innovation in media use.

Canadians today are seeking a more direct say in influencing public policy and more opportunity to shape government decisions.⁶ Stakeholders are looking to the Agency to share the leadership and improve public engagement as a means to achieving

its mandate. There is a desire for more leadership in the tourism industry, in educating Canadians about heritage and nature, and in advocating sustainability. Stakeholders view partnerships as a means of achieving and sharing this leadership.⁷ Over the last few years, Parks Canada has been collaborating more and more with stakeholders and partners and finds the impact to have been positive. This finding is consistent with the views of 98% of federal, provincial and municipal government agencies, as well as private sector executives, who agreed during a recent survey that partnering is beneficial to their organization and that there is a need for partnering “agility” in government.⁸

Canada’s changing social environment has implications for Parks Canada. The Agency is seeking opportunities to connect with youth and ethnocultural groups in their homes and communities, particularly as the perceived geographic disconnect between nature and city widens in some places, and make those connections by using messaging, venues and values relevant to these segments of the population. Building awareness of Parks Canada, including the Agency’s programs, is key to broadening the base of support and engagement in the Canadian population for the protection and presentation of Canada’s heritage.

Enhance Visitor Experience

With respect to visitor experience, the changing social environment has implications for leisure/recreation patterns, the types of experiences people are seeking and their motivations for visiting places, demand for information and services, and how information about locations and experiences are shared.

The social environment is also dynamic due to Canada’s evolving social values, defined as the motivations behind people’s behaviour. These values influence demand for certain products, services, and even the standards associated with them. Canadians are, in general, seeking fulfillment and more control in their lives, which has spawned a focus on visitor

experience and the need to tailor products and services to visitor’s needs/wants and desires in order to remain relevant and meaningful for the visitor. The client-focused approach means that Parks Canada must understand the attitudes, values and needs of Canadians to maintain support from its current client base and to connect with others so as to remain relevant to Canadians.

Tourism destinations and choices for leisure are varied in Canada, and while Parks Canada protects and presents the best in cultural and natural tourism resources, market information suggests that travellers continue to seek out other destinations. As well, the Canadian dollar surpassed and then levelled out at parity with the US dollar in 2007–2008, contributing to a further decline, since 2002, in same-day and overnight US travellers to Canada and an increase in Canadian residents travelling to the United States.⁹ Canadians also continue to travel internationally and Canadian trips overseas are at their highest levels since 2002.¹⁰ Travel by foreign-born Canadians to their home countries is one factor contributing to the high rates of international travel by Canadians.¹¹

These travel trends are a contributing factor to the decline in attendance at many of Parks Canada’s administered places, especially national historic sites. Over the last five years, national historic sites have experienced a 22% decline in attendance; some sites that depend on American travellers (e.g., in Atlantic and Northern Canada) have experienced attendance declines of between 30% and 40% over the same time period. National parks have fared better overall, but some parks (e.g., in Ontario and Atlantic Canada) that draw local repeat visitors and/or foreign tourists have experienced declines of a similar magnitude to national historic sites over the last five years. Building awareness of Parks Canada’s visitor offer and facilitating opportunities for meaningful visitor experience are key steps in connecting Canadians with Canada’s national heritage places and will help to reverse declining attendance.

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 included in the front of the performance information in Section 2.

The Auditor General has audited Parks Canada Agency's financial statements. These financial statements and the Auditor General's Audit Report are presented in Section 4 of this Performance Report.

The Auditor General has not reported on other sections of this report.

MANAGEMENT STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

I submit for tabling in Parliament, the 2007-2008 Departmental Performance Report for the Parks Canada Agency.

This document has been prepared based on the reporting principles contained in *Guide for the Preparation of Part III of the 2007-2008 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 department's Strategic Outcome and Program Activity Architecture that 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; and
- 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 on fairness and reliability of the Agency's performance information. Parks Canada is continually improving its financial and performance information, introducing new measures 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 2007-2008.

Original signed by

Alan Latourelle
Chief Executive Officer, Parks Canada Agency

Ottawa
August 1st, 2008



**AUDITOR GENERAL'S ASSESSMENT
of Performance Information
in the Parks Canada Agency's 2007-2008 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 2007-2008 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 by strategic outcome". 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 2007-2008, 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.

Sheila Fraser, FCA
Auditor General of Canada

Ottawa, Canada
August 1st, 2008

**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. |
|-----------------|--|

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_qde_e_10217.html

SECTION 2: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Parks Canada Agency's Strategic Outcome for this Reporting Period 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.

An assessment of the progress the Agency made towards its strategic outcome and the performance status related to planned results/priorities was presented in Section 1. This section will focus on the performance status of program activities' performance expectations.

There are two parts to this section. First, performance expectations and their status, including planned and actual expenditures, revenues and human resources (i.e., FTEs), are provided in Figure 1 by program activity, followed by detailed analysis of nine performance expectations.

Parks Canada's performance has been assessed based on the following four ratings:

On Target means that the Agency has met the target levels and is usually applied in situations where the performance has been achieved within the reporting year;

Reasonable Progress means that progress (in areas over which the Agency has control or direct influence) toward a multi-year goal is reasonable, and if continued is likely to lead to achievement of the long-term target;

Caution means that either short-term goals are not being met, or that progress toward longer-term goals is below expectations; and

Insufficient Information means that there is not enough information to make a determination of progress.

PART I – PERFORMANCE STATUS BY PROGRAM ACTIVITY

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY

Program Activity 1: Establish Heritage Places				
<p>Overall status</p> <p>Lake Superior National Marine Conservation Area has been established. Since 2005, Tuktut Nogait National Park has been expanded. Forty-five (45) designations of places, persons and events have been approved. Twenty-six (26) buildings have been recommended for designation as federal heritage buildings. External factors out of the control of Parks Canada, the complex work environment, the desire to build long and lasting relationships with partners, stakeholders and other interested parties in the establishment and designation processes prevented Parks Canada from fully meeting its targets during this reporting period. Nonetheless, these establishments, expansions and designations ensure that significant examples of Canada's natural and cultural heritage are preserved for present and future generations.</p>				
3% of Total Expenditures				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	24,985	29,024	19,808	22,716
FTEs	115		116	129
Planned Results	Create national parks and national marine conservation areas in unrepresented regions.	Complete or expand some existing parks.	Designate and commemorate places, persons and events of national historic significance.	Designate other heritage places.
Performance Expectations	1. Increase the number of represented terrestrial regions from 25 in March 2003 to 30 of 39 by March 2008, and increase the number of represented marine regions from two in March 2003 to four of 29 by March 2008.	2. Expand two national parks by March 2008, and increase the targeted land holdings in three unfinished national parks.	3. Designate, on average, 24 new places, persons and events per year. 4. On average, 30 commemorative plaques placed annually.	5. List 10,000 designated historic places on the <i>Canadian Register of Historic Places</i> by March 2009, and 17,500 by 2014. 6. Designate, in partnership with others, federal heritage buildings.
Performance Status	<p>1. Caution: National Parks</p> <p>Parks Canada did not meet the target of 30 out of 39 regions represented by March 2008. No new park was established in this reporting period.</p> <p>From March 2003 to March 2008, three terrestrial regions have been represented in the national parks system (Gulf Islands, Uk-kusiksalik and Torngat Mountains) – making the goal 60% achieved (expectation was five by March 2008). There are currently 28 terrestrial regions represented by national parks.</p>	<p>2. Caution: Expansion</p> <p>Partial expansion of Tuktut Nogait was achieved making the goal 50% completed. Since 2005, 189,100 hectares were added to this park (representing 12% of the total park area). An interim land withdrawal for the purpose of expanding Nahanni (about six times the size of the current national park reserve) was completed during this reporting period. Nahanni expansion is well underway and expanded park boundaries are under final discussion. Challenges, similar to those described for the establishment process</p>	<p>3. On Target: 45 new designations were made during the 2007-2008 reporting period, moving the average over three years to 28. The number of designations is attributed in large measure to the approval of outstanding recommendations of the Historic Sites and Monuments Board of Canada arising from its meetings in December 2005 and June 2006. For further information, please consult Part II of this section.</p>	<p>5. Reasonable Progress:</p> <p>As of March 31, 2008, an additional 2,065 officially recognized historic places were listed on the <i>Canadian Register of Historic Places</i> for a total of 7,311 (73% of the 2009 target and 41% of the 2014 target). This is consistent with the approximate 11% growth rate of recent years.</p>

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

<p>Performance Status</p>	<p>Progress was made on several national park proposals including Mealy Mountains (NL), South Okanagan-Lower Similkameen (BC), Bathurst Island (NU), and East Arm of Great Slave Lake (NWT). For further information, please consult Part II of this section.</p> <p>The need to build relationships and collaborate with Aboriginal groups, communities and other governments, in a complex external environment over which Parks Canada lacks control, makes it difficult to accurately predict future outcomes and timelines. For this reason, the target to increase the number of represented terrestrial regions is being extended to 2010 in the 2008-2009 Corporate Plan.</p> <p>Caution: National Marine Conservation Areas Parks Canada did not meet the target of four out of 29 marine regions represented by March 2008. Currently, there are three marine regions represented.</p> <p>From March 2003 to March 2008, one agreement for a national marine conservation area in Lake Superior was signed in October 2007, making the goal of representing two additional marine regions 50% achieved.</p> <p>Progress was made on national marine conservation area proposals for Gwaii Haanas (to represent two regions), Southern Strait of Georgia, Les Îles-de-la-Madeleine, and funding was announced to initiate Lancaster Sound studies. For the same reason as above, the target to increase the number of represented marine regions is also being extended to 2010 in the 2008-2009 Corporate Plan.</p>	<p>(see Performance Expectation #1), were encountered, preventing Parks Canada from meeting the March 2008 target. In order to complete final steps, this target is being extended to 2010.</p> <p>2. Reasonable Progress: Completion Land acquisitions occur on a willing-seller willing-buyer basis. Land was added to the Bruce Peninsula (71 hectares) and Grassland National Park (1,802 hectares). No opportunities to acquire land for Gulf Islands National Park occurred during this reporting period.</p> <p>Current level of completion of Bruce Peninsula is 80%, Grasslands is 50%. For Gulf Islands, the goal is not to acquire all the lands within the boundary. As a result, it is not possible to provide a level of completion.</p>	<p>4. Insufficient Information: During the 2007-2008 reporting period, 22 plaques were unveiled at public ceremonies. Parks Canada had previously assumed that the number of unveiling ceremonies was directly correlated to the number of plaques installed (or placed). However, through work completed on the plaque backlog project, it has become apparent that, due to operational constraints, a significant lapse of time may occur before installation and Parks Canada currently has insufficient information regarding the number of plaques installed during the reporting period.</p> <p>To address this situation, Parks Canada is implementing a multi-year plan to collect relevant data and to reconfigure databases to ensure a verifiable correlation between number of designations, plaques unveiled and plaques installed in a given reporting period.</p>	<p>Parks Canada partners with the 13 provinces and territories to put listings on the register. Parks Canada is responsible for listing historic places designated by the federal government, while the provinces and territories are responsible for listing historic places designated at the provincial/territorial and municipal levels.</p> <p>In 2008-2009, Parks Canada will invest resources to increase the rate of listing of federally designated historic places on the register. Based on this, and on the numbers of listings the provinces and territories are projecting to add in 2008-2009, it is anticipated that the March 2009 target of 10,000 listings will be met.</p> <p>6. Reasonable Progress: During 2007-2008, 993 federal buildings were evaluated of which a total of 26 were recommended for designation as federal heritage buildings (one Classified – Maison Scott-Wright, 25 Recognized). These buildings include lighthouses, Government of Canada office buildings, training academies and research facilities.</p>
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FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Program Activity 2: Conserve Heritage Resources				
Overall status Thirty-two (32) national parks meet initial conditions for a functioning ecological monitoring system. Parks Canada developed and is implementing the new <i>Principles and Guidelines for Ecological Restoration in Canada's Protected Natural Areas</i> , the first-ever Canada-wide guidance for ecological restoration practices. Most of the targets with regard to managing environmental impacts of Parks Canada's operations were met. National park locations and size, complexity of the various operating environments and influence of external factors prevented Parks Canada from meeting all of its targets during this reporting period. Poor ratings have been improved to good at four national historic sites. Advice, recommendations and certifications were provided consistent with the <i>Standards and Guidelines for the Conservation of Historic Places in Canada</i> . A survey showed that national historic sites not administered by Parks Canada have an excellent awareness of the importance of preserving the historic condition. Overall, achievement during this reporting period contributed to maintaining and improving nationally significant examples of natural and cultural heritage administered and not administered by Parks Canada.				
32% of Total Expenditures				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	206,895	219,253	201,388	207,772
FTEs	1,455		1,481	1,520
Planned Results	Maintain or improve the ecological integrity of national parks, and the sustainability of national marine conservation areas.	Maintain or improve the commemorative integrity of national historic sites, and the state of other cultural resources administered by Parks Canada.	Support maintaining and improving the commemorative integrity of national historic sites, and the state of heritage resources not administered by Parks Canada.	
Performance Expectations	7. National park and national marine conservation area management plans will be on schedule and consistent with management plan guidelines by March 2010. 8. Develop fully functioning ecological integrity monitoring and reporting systems for all national parks by March 2008. 9. Develop selected indicators and protocols for measuring national marine conservation area ecological sustainability by March 2009. 10. Improve aspects of the state of ecological integrity in each of Canada's 42 national parks by March 2014. 11. Meet targets for five measures of environmental impacts of Parks Canada's operations: greenhouse gas emissions, petroleum storage tanks, contaminated sites, halocarbons and polychlorinated biphenyls (PCBs).	12. Complete national historic sites management plans, consistent with management plan guidelines by March 2008. 13. Improve 75% of the elements of commemorative integrity rated as poor to at least fair condition, within five years of the original assessment. 14. Improve the state of other cultural resources managed by Parks Canada by March 2014.	15. Other owners of national historic sites are aware of commemorative integrity and have access to information on best practices in maintaining it. 16. Provide advice, recommendations or certification of interventions to built cultural heritage consistent with the <i>Standards and Guidelines for the Conservation of Historic Places in Canada</i> as opportunity permits.	

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

<p>Performance Status</p>	<p>7. Reasonable Progress: As of March 31 2008, 35 of 42 (83%) national parks had approved management plans (an increase of two from last year). For the remaining seven national parks, four operate under interim management guidelines (Auyuittuq, Gulf Islands National Park Reserve, Pacific Rim National Park Reserve and Quttinirpaaq) and three (Sirmilik, Torngat Mountains and Ukkusiksalik) are engaged in the planning process. A new guide to management planning was adopted in January 2008.</p> <p>There are three national marine conservation areas in place. The production of a management plan for Lake Superior National Marine Conservation Area is on schedule. With regard to Fathom Five Marine Park and Saguenay St. Lawrence Marine Park, management plan reviews were not completed within 5 years as required by legislation. The management plan for Fathom Five Marine Park was approved in 1998. Due to a longer process of establishing a formal agreement with local First Nations, the plan review has been rescheduled for 2010. The management plan for Saguenay St. Lawrence Marine Park was tabled in Parliament in 2000. The review is scheduled for the fiscal year 2008-2009.</p> <p>The management planning process for parks and national marine conservation areas is complex and time consuming. Extensive consultation with local communities, stakeholders and Aboriginal peoples is required.</p> <p>8. Caution: As of March 31, 2008, 32 out of 42 (76%) national parks have met initial conditions for a functioning ecological integrity monitoring and reporting system. This represents a significant improvement over the last five years and specifically a 71% improvement in this reporting period. The parks in the far North continue to be the least advanced due to access costs and continuous staff turnover. For further information, please consult Part II of this section.</p> <p>9. Caution: Within an international context (North American Marine Protected Heritage Areas Network) and the Federal Marine Protected Areas network, some progress was made in developing indicators and protocols for measuring ecological sustainable use. As a result, this target is being extended from March 2009 to March 2013 and will broaden its scope to include the development of a national monitoring program.</p>	<p>12. Caution: Parks Canada administers 158 national historic sites of which 151 require a management plan to be in place by the end of the reporting period. As of March 31, 2008, the Agency had completed management plans for 130 (86%) of the 151. All of these management plans were consistent with guidelines. There were no new management plans completed during this reporting period, although plans covering 17 outstanding national historic sites are nearing completion of their First Nation consultation processes. Parks Canada does not have full control over the timing and duration of these processes. The remaining four national historic sites have encountered challenges that prevent preparation of their plan within the expected timeframes. It is expected that most of the 21 outstanding sites will see their plans provided to the Minister throughout the next fiscal year.</p> <p>13. Caution: Only 57% of the elements of commemorative integrity rated as poor were improved to at least fair condition within six years of the original assessment. In order to have the same basis of comparison, Parks Canada adopted, during this reporting period, the same methodology of initial assessment and went back six years to reassess improvement to elements since the beginning of this program. The Agency will move to a five-year cycle in conducting these assessments for the next reporting period. For further information, please consult Part II of this section.</p> <p>14. Insufficient Information: Parks Canada lacks formal inventories and condition ratings for several classes of cultural resources, including archaeological sites, archaeological objects and built heritage outside of national historic sites. For historic objects, while a national inventory exists, it is incomplete and condition ratings need to be updated. The percentage of objects rated as being in good condition remains at 76%, the same percentage as was reported in 2006-2007.</p>	<p>15. On Target: In 2007-2008, Parks Canada administered a survey of other owners (not-for-profit organisations, other levels of governments and Aboriginal groups) of national historic sites. The survey, which received responses from 250 of the 605 sites, provided relevant information to allow Parks Canada to assess its progress as being on target for this performance expectation. The survey revealed that 99.5% felt that it was important to preserve the historic condition of their site and that 99% felt that it was important to communicate the historic values of the site. The survey also found that 88% of sites had access to some source of professional and technical support in terms of conservation and presentation of their site and that 77% of owners use the <i>Standards and Guidelines for the Conservation of Historic Places in Canada</i> at least occasionally in managing their site.</p> <p>16. On Target: Advice and recommendations were provided on 31 of the 35 active pre-certified Commercial Heritage Properties Incentive Funds (CHPIF) projects. Final certification reports, allowing the release of CHPIF funds, were produced for six of the 35 projects. Reports detailing various stages in the certification process were produced for 17 other projects. All advice, recommendations and certifications provided were consistent with the <i>Standards and Guidelines for the Conservation of Historic Places in Canada</i>.</p>
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FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

<p>Performance Status</p>	<p>10. Reasonable Progress: The Agency continues to make progress as a result of the development of Canada-wide tools to guide active management and restoration and through the implementation of over 70 projects with specific measures for improving aspects of the state of ecological integrity in national parks. For further information, please consult Part II of this section.</p> <p>11. Reasonable Progress: Contaminated Sites The Parks Canada Agency has made reasonable progress in the initial and detailed assessment of contaminated sites through funding received under the <i>Federal Contaminated Sites Action Plan</i>. As in the previous year, some suspected contaminated sites were added to the Parks Canada list of contaminated sites; accordingly, the total number of confirmed or suspected contaminated sites rose from 388 to 394, an increase of 1.5%. In 2007–2008, 47 sites were assessed, five of which were new sites identified during the course of the reporting year. The percentage of sites pending assessment to date is 4.8% (19 of 394 sites awaiting assessment). Overall, the number of new suspected contaminated sites added to the Parks Canada database has dropped sharply, and the number of sites that have yet to be assessed has decreased markedly.</p> <p>On Target: Greenhouse Gas Emission Reduction The Agency had set a target of reducing greenhouse gas emissions from its own operations by 5.2% (2.9 kilotonnes), from the 1998 baseline level of 56.3 kilotonnes by 2011. The Agency has met the reduction target for the third year in a row. The level of greenhouse gas emissions from its own operations was 50.9 kilotonnes in 2007–2008.</p> <p>On Target: Petroleum Storage Tanks As per the federal regulations on storage tanks, all known tanks subject to the regulations are registered in the Parks Canada database and all upgrades, removals and new installations were recorded.</p> <p>Reasonable Progress: PCBs and Halocarbons The Agency produced and distributed the <i>Halocarbon Handbook</i> as well as the <i>PCB Handbook</i>, which provide the tools needed to manage halocarbon and PCB-containing equipment. Seventy-five per cent (75%) of management units have identified a responsible individual as well as confirmation that measures are in place to ensure compliance with the federal halocarbon and PCB regulations.</p>	<p>To address this situation, the Agency is examining options to develop a cultural resource information system that will enable it to report on its holdings of cultural resources and their condition in a standardized fashion. Cultural Resource Values Statements are also being developed to evaluate the condition of cultural resources in national parks. This will provide a baseline for future reporting on the condition of these resources.</p>	
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FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Program Activity 3: Promote Public Appreciation and Understanding				
Overall status Indicators and performance expectations for measuring public appreciation and understanding were developed through the review of the Agency's strategic outcome and program activity architecture. This exercise allowed Parks Canada to analyse and understand in more depth the concepts of awareness, appreciation, understanding and engagement of Canadians. Changing demographics, requirements for new methods of communication and the fact that the revision to the program activity architecture took longer than expected prevented the Agency from fully meeting its expectations. Despite this, Parks Canada is making good progress in meeting expectations, and fostering public appreciation and understanding to help Canadians connect with their heritage places.				
5% of Total Expenditures				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	34,230	36,299	33,287*	78,120*
Revenues	0		0*	785*
FTEs	264		268	764
* For an explanation of the variance between 2006-2007 and 2007-2008 actual expenditures and revenues, see Table 1 and Sources of Respendable Revenue in Section 3.				
Planned Results	Encourage the support and involvement of Canadians and stakeholders and their knowledge and appreciation of Canada's heritage places.			
Performance Expectations	17. Develop indicators, expectations and protocols for measuring public appreciation and understanding of Canadians and stakeholders by May 2007.			
Performance Status	17. On Target: Indicators and Expectations Parks Canada established expected results and developed indicators and performance expectations for measuring public appreciation and understanding, all of which were provided to Treasury Board and are published in the <i>2008-2009 Corporate Plan</i> . Caution: Protocols No tools or procedures for measurement and analysis were undertaken during the reporting period as the process of establishing expected results, indicators and performance expectations took longer than expected. For further information, please consult Part II of this section.			

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Program Activity 4: Enhance Visitor Experience				
<p>Overall status</p> <p>Results have exceeded expectations relative to participation in learning experiences and visitor satisfaction at 19 surveyed places. Three out of four targeted national historic sites have increased their number of visits. The exercise of defining the concept of personal connection through the Agency's strategic outcome and program activity architecture review process took longer than expected, and external factors beyond Parks Canada's control influencing the decrease of visitation at the Fortress of Louisbourg National Historic Site prevented the Agency from fully meeting its expectations for 2007-2008. Nonetheless, lessons learned from pilot projects, knowledge and understanding of the changing demographics in addition to consistent achievement of the expectations for satisfaction and participation in learning activities at surveyed sites over the last five years have contributed to ensuring that Parks Canada can continue to present nationally significant examples of Canada's natural and cultural heritage, and foster public enjoyment of these places for present and future generations.</p> <p>45% of Total Expenditures and 72% of Total Revenues</p>				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	267,327	304,232	286,621*	189,598*
Revenues	74,358		77,457	73,161
FTEs	1,986		2,119	1,453
* For an explanation of the variance between 2006-2007 and 2007-2008 actual expenditures, see Table 1 in Section 3.				
Planned Results	Facilitate experiences that provide learning opportunities, visitor satisfaction and personal connections.			
Performance Expectations	<p>18. 10% increase in the number of visits to targeted national historic sites by March 2008.</p> <p>19. 50% of visitors to national parks and national marine conservation areas, and 80% of visitors to national historic sites will participate in learning experiences at all surveyed sites.</p> <p>20. 85% of visitors are satisfied, and 50% are very satisfied, with their experience at all surveyed sites.</p> <p>21. Optimize the number of visitors who report a personal connection to the park or site visited (target to be established by October 2007).</p>			
Performance Status	<p>18. On Target: Three of the four national historic sites that participated in the pilot project exceeded the 10% increase in person visits over the five-year period of the initiative. Fort Lennox, with a total in person visit of 47,530 had a 23% increase, Fort George with a total in person visits of 64,976 had a 23% increase while Fort Langley with a total in person visits of 67,836 had a 12% increase.</p> <p>Caution: Despite investments in new initiatives to attract visitors, Fortress of Louisbourg, with a total in person visits of 97,371 experienced a 15% decline between 2003-2004 and 2007-2008. A contributing factor to the decline in attendance at the Fortress of Louisbourg is the decline in US travellers to Canada, particularly to Atlantic Canada.</p> <p>Throughout this pilot project Parks Canada has learned some valuable lessons that will be built upon to address declining attendance system-wide. Parks Canada will focus on building internal capacity with the goal of developing a more sustainable approach to generating interest and increasing visitation to national historic sites, and working cooperatively on market development and a service offer that meets the needs, interests and expectations of current and potential visitors. In 2008-2009, this project will be expanded to include the following ten additional national historic sites: L'Anse aux Meadows, Signal Hill, Halifax Citadel, Grand Pré, Carleton Martello Tower, Sir George-Étienne Cartier, Fort Lennox, Laurier House, Lower Fort Garry and Fort Battleford.</p>			

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Performance Status	<p>19. On Target at surveyed locations: On average, 72% of the visitors who responded to the survey at the three participating national parks and 91% of visitors who responded to the survey at one of the 16 surveyed historic sites had used at least one heritage presentation product or service. No national marine conservation areas were surveyed in 2007-2008. For further information, please consult Part II of this section.</p> <p>20. On Target at surveyed locations: The three national parks surveyed, with 93% to 95% visitors satisfied and 56% to 67% visitors very satisfied, and the 16 national historic sites surveyed in 2007-2008, with results ranging from 93% to 99% of visitors satisfied and results ranging from 59% to 91% of visitors very satisfied, met the expectation. No national marine conservation areas were surveyed in 2007-2008. For further information, please consult Part II of this section.</p> <p>21. Caution: As stated in Section 1, Parks Canada is implementing, through its 2008-2009 <i>Corporate Plan</i>, a revised strategic outcome and program activity architecture. Through that exercise, the concept of personal connection has been defined and identified to be both an expected result of Parks Canada's overall strategic outcome and of this program activity. At strategic outcome level: % of Canadians that report a personal connection to Parks Canada administered places will measure the concept, and, at program activity level, personal connection will be a composite of the following two performance expectations: % of visitors at surveyed locations that consider the place is meaningful for them and 85% of visitors at surveyed locations are satisfied, and 50% are very satisfied with their visit.</p>
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FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Program Activity 5: Townsite Management				
<p>Overall status</p> <p>Commercial growth in communities is within legislated limits. Eighty-six percent (86%) of communities met the <i>Federal Wastewater Guidelines</i> while 75% of mountain parks met the more rigorous Parks Canada Leadership targets. An increase of 4.2% in the risk management or remediation of contaminated sites was observed. Seventy-one percent (71%) of communities have set targets for solid waste diversion and water conservation. Four out of six communities have completed actions plans and undertaken renovations for the protection of Parks Canada priority heritage assets. The need for infrastructure upgrades in Waterton and Wasagaming townsites as well as the unforeseen mechanical issues at the plant in Jasper prevented Parks Canada from fully meeting its expectations during this reporting period. The planned results for townsite management contribute to the achievement of Parks Canada's mandate and are consistent with Parks Canada sustainable development strategy by supporting the effort towards the ecological integrity and the conservation of heritage assets for present and future generations.</p>				
3% of Total Expenditures and 3% of Total Revenues				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	12,664	19,337	16,363	13,503
Revenues	2,676		2,890	2,716
FTEs	100		92	88
Planned Results	Provide responsible environmental stewardship and heritage conservation.			
Performance Expectations	<p>22. Meet targets for legislated limits to growth, sewage effluent quality and management of contaminated sites and set targets for solid waste diversion and water conservation by March 31, 2008.</p> <p>23. Townsites meet their targets for the protection of priority heritage assets owned by Parks Canada.</p>			
Performance Status	<p>22. On Target: Legislated limits to growth Overall growth in townsites is within legislated limits and the amounts set out in approved community plans. During 2007-2008, Banff saw a decrease in its commercial floor area, reducing the percentage of the total limit allocated from 100% to 91%, due to the return of previously allocated but undeveloped space. For the remaining six townsites, the percentage of the total limit allocated ranges from 5% to 33%.</p> <p>Reasonable Progress: Sewage effluent quality and Management of Contaminated Sites Six out of seven communities met the Federal Wastewater Guidelines for sewage effluent quality while three out of four communities expected to meet Parks Canada more stringent Leadership targets met them. With regard to contaminated sites, Parks Canada seeks to increase the number of sites that are risk managed or remediated. As of March 31, 2008, 31 of 46 contaminated sites located within townsites were remediated or risk-managed. Two sites were removed from the inventory due to reporting errors while one site was newly identified as requiring action. The percentage of remediated or risk-managed sites has increased from 63.8% (2006-2007) to 67.3% (2007-2008); an increase of 3.5% compared to last year.</p> <p>Caution: Solid Waste Diversion and Water Conservation As of March 31, 2008, only five out of seven communities had set targets for solid waste diversion and water conservation making the performance expectation 71% achieved. Targets will be set for Wasagaming and Jasper for solid waste diversion, and for Wasagaming and Waterton for water conservation.</p> <p>23. Insufficient Information: Parks Canada has priority heritage assets in six out of seven communities. Of these six communities, five have completed an inventory of their heritage assets, five understand the condition of their priority heritage assets and four have completed action plans. Major renovations on priority heritage structures owned by Parks Canada were completed in four out of six communities; however, clear targets have not been identified by all communities against which their performance can be assessed.</p>			

FIGURE 1: PERFORMANCE STATUS BY PROGRAM ACTIVITY (CONT'D)

Program Activity 6: Throughway Management				
Overall status One hundred percent (100%) of the 1,025 kilometres of through highways were open to traffic. Sixty-five percent (65%) of the Trans Canada Highway Twinning project is completed. An interim bridges and dams inspection directive was developed to address high-risk areas. Dams were inventoried. Water control obligations were inventoried and targets for compliance have been set. Water level measurement protocols are in place. Lack of a formal national asset condition inventory for both through highways and through waterways, decentralized operations and limited capacity associated with managing a large and complex asset base represented challenges for the organisation in meeting its expectations for throughway management. In addition to providing access to heritage places, throughways strongly contribute to the economic growth of communities outside the boundaries of Parks Canada heritage places.				
12% of Total Expenditures				
(\$ Thousands)	2007-2008			2006-2007
	Planned	Total Authorities	Actual	Actual
Expenditures	61,535	81,036	76,576	92,906
FTEs	241		239	250
Planned Results	Provide safe highways, open to through traffic, and minimize their environmental impacts.		Maintain condition of waterways, carry out water control functions and meet water level obligations.	
Performance Expectations	24. Highways are open to through traffic. 25. Maintain highways in a condition that minimizes risk to users. 26. Minimize environmental impacts of highways.		27. 75% of waterway assets are maintained in at least fair condition. 28. Develop inventory of water control obligations, targets and protocols for measuring compliance by March 2008.	
Performance Status	<p>24. On Target: Parks Canada manages more than 1,025 kilometres through 16 national parks and one national historic site. In 2007-2008, no through highway was closed due to asset condition.</p> <p>25. Insufficient Information: Parks Canada lacks a formal national inventory and up-to-date condition ratings for through highways. Despite this, the Agency continues to invest in through highway recapitalization and maintenance.</p> <p>As of March 31, 2008, six of the nine kilometres of the Trans Canada Highway Twinning project were completed including three bridges and three underpass structures for wildlife. The project is 65% completed with the full nine kilometres scheduled to be in service by late fall 2008.</p> <p>Progress has also been made during this reporting period in developing a bridge inspection directive that will allow Parks Canada to implement a consistent methodology for completing inspections and condition ratings as well as better address high-risk areas.</p> <p>26. Reasonable Progress: The strategy for ecological reporting on through highways is being implemented as part of the ecological integrity monitoring and reporting system for individual parks that have through highways; specific measures have been identified (eg., roadside salt concentration and wildlife mortality) and progress will be reported on a five year basis for each park.</p>		<p>27. Insufficient Information: Parks Canada lacks a formal national inventory and condition ratings for through waterways but progress has been made on inventories of dams. There are 357 dams of which 84.6% have a condition rating done over the last 10 years.</p> <p>Dams represent high-risk assets and present a significant challenge to the Agency because of their complexity and high maintenance and recapitalization costs. In this reporting period, Parks Canada developed an interim directive for dam inspection and will be developing a dam safety program next fiscal year. Funding has been allocated to the most urgent health and safety projects.</p> <p>28. On Target: Parks Canada has water control obligations on three waterways: Rideau Canal, Trent-Severn and Lachine Canal. Totalling 592.5 kilometres, Parks Canada has water control obligations set out in 53 agreements with industries, commercial and recreational businesses for which targets to meet these obligations have been established. Protocols to measure the compliance of water levels are in place at each of these canals.</p>	

PART II – DETAILED ANALYSIS OF NINE PERFORMANCE EXPECTATIONS

Performance expectations reported in Part II were selected amongst all performance expectations shown in Figure 1 because:

- They relate most directly and significantly to the key elements of the Agency mandate and will be key in the new program activity architecture;
- Together, they account for most of the Agency program spending and the lion's share of revenue it generates (Agency spending in these core program activities has a direct and significant impact on local and regional economies; the Agency affects 469 communities and contributes an estimated \$1.3 billion to the gross domestic product);
- They support government commitments (e.g., Government Plan to Establish New Parks) and contribute to the attainment of most of the Government of Canada sustainable development goals; and
- They include government performance expectations that are horizontal in nature such as the Species at Risk initiative (Environment Canada, Fisheries and Oceans Canada and Parks Canada Agency).

PROGRAM ACTIVITY 1: ESTABLISH HERITAGE PLACES

Planned Result

Create National Parks and National Marine Conservation Areas in Unrepresented Regions.

National Parks

The National Parks System Plan (1997) (www.pc.gc.ca) divides Canada into 39 distinct natural terrestrial regions, with the goal of representing each of these regions with at least one national park. Park establishment begins with the identification of areas representative of a natural region followed by the selection of a potential park proposal; conducting a feasibility study, including consultations, on the park proposal; negotiating park agreements; and formally protecting a park under the *Canada National Parks Act*.

Performance Expectation

Increase the number of represented terrestrial regions from 25 in March 2003 to 30 of 39 by March 2008.

Performance Status

As of March 31, 2008, 28 out of 39 terrestrial regions were represented. No new parks have been established in the period covered by this report.

From March 2003 to March 2008, three unrepresented natural terrestrial regions have been represented in the national parks system – making the goal 60% achieved (three out of five regions represented). A Canada-British-Columbia agreement was signed for Gulf Islands National Park Reserve in 2003, an Inuit Impact and Benefit Agreement for Ukkusiksalik

FIGURE 2: NUMBER OF PARKS CANADA'S 39 TERRESTRIAL REGIONS REPRESENTED IN THE SYSTEM

	As of March 31 st					
	2008	2007	2006	2005	2004	2003
# of 39 natural terrestrial regions represented in system	28	28	28	27	27	25
# of operational national parks	42	42	42	41	41	39
Km ² of operational national parks	276,240	276,240	276,240	265,000	265,000	244,540

Source: Table and Map on Growth of the System of National Parks and National Park Reserves of Canada.

Note: A region may be represented by a national park or national park reserve (i.e., a reserve is an area managed as a national park, but where the lands are subject to one or more land claims by Aboriginal people that have been accepted for negotiation by Canada). And a region is considered represented when a national park or park reserve is operational (i.e., when a park establishment agreement has been signed by the Minister, with Cabinet approval; when the land has been transferred to Canada, and when the authority to operate has been established under various provincial, territorial and/or federal regulations).

National Park in 2003, and an agreement and formal establishment under the *Canada National Parks Act* for Torngat Mountains National Park Reserve in 2005 resulting in the addition of over 30,000 km² of protected land added to the national parks system. Figure 2 illustrates the number of represented regions and operational parks, and total size of the national parks system.

Progress is being made on four other proposals. Feasibility studies for the Mealy Mountains and South Okanagan-Lower Similkameen proposals are in their final stages. Aboriginal support is being sought for the Bathurst Island proposal to proceed to negotiating a park agreement. The proposal for the East Arm of Great Slave Lake, also at a feasibility study stage, took a major step forward this year with Minister of Environment's announcement of a land withdrawal from new mineral development while discussions continue.

Situational analysis

Of the five steps in the establishment process, the feasibility study (step 3) in particular takes time because Parks Canada works in a complex external environment. The feasibility work is about advancing an important federal conservation program within a context of federal-provincial relations, Aboriginal rights and claims, and the commitment to consult in a meaningful way. The Agency is making long-term and enduring investments in the future during these studies and it takes time to get it right. The planning process must also ensure that an integrated approach to the mandate is considered, requiring natural and social science research and developing an understanding of the regional context. Relationship building and collaboration are critical aspects of reaching a successful outcome, in the form of public support for a proposed park to move on to the next stage of negotiating an agreement.

Results achievement could be delayed by policy challenges related to land use and jurisdictional priorities, by shifting provincial expectations, by the need to build support, by other department priorities, and by the impact of court decisions. For

example, no progress was made on the Wolf Lake proposal this past year. As such, Parks Canada may need to explore opportunities to identify alternate candidate areas in the Northern Interior Plateaux and Mountains. In response to a request from First Nations, Parks Canada has adopted a measured pace on the Manitoba Lowlands proposal to ensure that the First Nations have sufficient support and time to actively engage community members. The Mealy Mountains feasibility study is nearly complete, pending provincial deliberations on the proposed boundary.

For all of the above reasons, the date for achieving representation of five unrepresented regions has been extended to 2010 in the *2008-2009 Corporate Plan*. Representing two additional regions by 2010 is reasonable although it remains a challenge.

National Marine Conservation Areas

The National Marine Conservation Areas System Plan (1995), titled *Sea to Sea to Sea*, (www.pc.gc.ca) divides Canada's oceanic waters and Great Lakes into 29 natural marine regions. The long-term goal is to represent each of these regions with at least one national marine conservation area (NMCA). National marine conservation areas are managed for sustainable use, and include highly protected zones surrounded by multiple-use areas where fishing, aquaculture and marine transportation are permitted.

Performance Expectation

Increase the number of represented marine regions from two in March 2003 to four of 29 by March 2008.

Performance Status

As of March 31, 2008, three out of 29 marine regions were represented. During this reporting period, an agreement for Lake Superior National Marine Conservation Area was signed. The goal of representing two additional marine regions has been 50% achieved.

Situational analysis

The Prime Minister of Canada and the Minister of the Environment announced an agreement with the government of Ontario to establish a national marine conservation area in Northern Lake Superior. A memorandum of understanding with the Northern Superior First Nations was signed at the same time, and will lead to their active engagement in the management and stewardship of the national marine conservation area. This immense and magnificent area of about 10,000 km² – a stunning seascape featuring a diversity of plant and animal life – is the largest freshwater protected area in the entire world.

Significant progress has been made towards a Canada/Haida collaborative management agreement for the proposed Gwaii Haanas NMCA Reserve, which will represent two additional marine regions when established. A feasibility study for a proposed Southern Strait of Georgia NMCA is well advanced and one is in an early stage for a proposal in the marine waters around les Îles-de-la-Madeleine. Preliminary consultations have begun for a proposal in Lancaster Sound, with feasibility funding announced as part of Health of Oceans funding in the 2007 Federal Government Budget.

While the factors outlined for national park establishment also apply to proposed national marine conservation areas, these projects are made even more complex due to the various resource activities such as fishing, shipping, and aquaculture and other jurisdictions that need to be considered since ecologically sustainable use is an important part of managing a national marine conservation area.

For national marine conservation areas, there is one additional step in the establishment process. Before formal establishment under the *Canada National Marine Conservation Areas Act* can take place, the legislation requires that an interim management plan be submitted to Parliament, with public input. These plans have begun to be developed for the proposed Gwaii Haanas NMCA and Lake Superior NMCA, with the first step being to set up advisory/collaborative management groups.

For the various reasons described above, the date for achieving four represented marine regions has been extended to 2010 in the *2008-2009 Corporate Plan*.

Planned Result

Designate and Commemorate Places, Persons and Events of National Historic Significance.

National Historic Sites of Canada System Plan (2000) (www.pc.gc.ca) presents a strategy to commemorate places, persons, and events of national historic significance. Implementation of the plan is the responsibility of several different stakeholders; the public, who makes most of the nominations for designation; the Historic Sites and Monuments Board of Canada (HSMBC), which reviews all submissions and recommends the designation of places, persons and events that represent nationally significant aspects of Canadian history; and the Minister of the Environment, who makes the final designations. Parks Canada's role involves publicizing the process, receiving and screening designations, preparing background papers for the HSMBC, acting as secretariat for the HSMBC, and preparing submissions, based on HSMBC recommendations, for the Minister. Additional information on the HSMBC is available on the Parks Canada website (www.pc.gc.ca).

Performance Expectation

Designate, on average, 24 new places, persons and events per year.

Performance Status

In 2007-2008, on an average over three years, 28 designations of new places, persons and events were made per year as shown in Figure 3.

Situational analysis

To reach that result, the Minister of the Environment made 45 new designations in 2007-2008. This number is attributed in large measure to the Minister's approval of outstanding recommendations of the HSMBC arising from its meetings in December 2005 (18) and June 2006 (23); other recommendations (4) arose from 2007-2008 meetings.

As of March 31, 2008, Canada's System of National Historic Sites includes 935 national historic sites. Of these, 158 are administered by Parks Canada. The system also includes 612 national historic persons and 395 national historic events as shown in Figure 4.

Parks Canada will continue to strengthen and expand partnerships with diverse communities and national associations to encourage nominations to the Historic Sites and Monuments Board of Canada.

**FIGURE 4: STATUS OF DESIGNATIONS BY TYPE
AS OF MARCH 2008**

Type	All	2007-2008
Places	935	12
Persons	612	15
Events	395	18
Total	1,942	45

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

	2007-2008	2006-2007	2005-2006
Balance as of April 1	1,897	1,875	1,859
New Designations	45	21	19
Net Adjustments	0	+1	-3
Balance as of March 31	1,942	1,897	1,875
Average over 3 years	28	16	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.

PROGRAM ACTIVITY 2: CONSERVE HERITAGE RESOURCES

Planned Result

Maintain or Improve the Ecological Integrity of National Parks.

The *Canada National Parks Act* defines ecological integrity as:

“A condition that is determined to be characteristic of its natural region and likely to persist, including abiotic (devoid of life) components and the composition and abundance of native species and biological communities, rates of changes and supporting processes”.

Performance Expectation

Develop fully functioning ecological integrity monitoring and reporting systems for all national parks by March 2008.

Performance Status

Thirty-two (32) national parks representing 76% of Canada’s 42 national parks have met the initial conditions for a functioning ecological integrity monitoring and reporting system as shown in Figure 5. This represents a significant achievement over the last five years and specifically an improvement of 71% in this reporting period alone. The remaining

parks (Torngat Mountains, Quttinirpaaq, Sirmilik, Auyuittuq, Ukkusiksalik, Aulavik, Tuktut Nogait, Ivvavik, Elk Island, Riding Mountain), especially those in the far north, are the least advanced. However, half of the conditions have been met on their respective ecological integrity monitoring and reporting systems.

Situational analysis

The 32 parks, having a functioning ecological integrity monitoring system, met the most challenging condition of “Ecologically Comprehensive”; an increase of 12 parks from the previous year as shown in Figure 5. This condition is the most challenging because it requires the capacity of comprehension and evaluation of the entire monitoring program including park conservation priorities, consideration of all park ecosystems as well as the monitoring framework of biodiversity, function and stressors. Twenty-six (26) new parks met the “Clear Questions” condition in this reporting cycle, an increase of 62%. Finally, all 42 parks have recorded results in the Information Centre on Ecosystems thereby meeting the condition of “Information Recorded”, an increase of 24 parks (57%) from 2006-2007.

Northern parks present the biggest challenges for developing a functioning ecological monitoring system. High staff turnover is the largest challenge for planning a program representative of the major northern ecosystem. Furthermore, the large geographic area of most of these parks presents

logistical monitoring challenges. Nonetheless, four of the 12 northern parks (Kluane, Vuntut, Nahanni, Wapusk) have already managed to overcome these challenges in the development of their systems. The ten parks, which did not meet initial conditions, are engaged in revising their monitoring and reporting work plans by the end of the 2008-2009 fiscal year.

The progress made in the establishment of an ecological integrity monitoring and reporting system in 2007-2008 for communicating to Canadians the condition of, and improvements to, the state of ecological integrity in Canada's national parks represents a significant accomplishment for the Agency. The ecological integrity monitoring system provides the baseline information for on-going reporting on the state of ecological integrity in Canada's national parks. It is also the basis for the Agency's *State of the Park Report*, *Performance Report* and *State of Protected Heritage Areas Report* and is linked to the park management planning cycle.

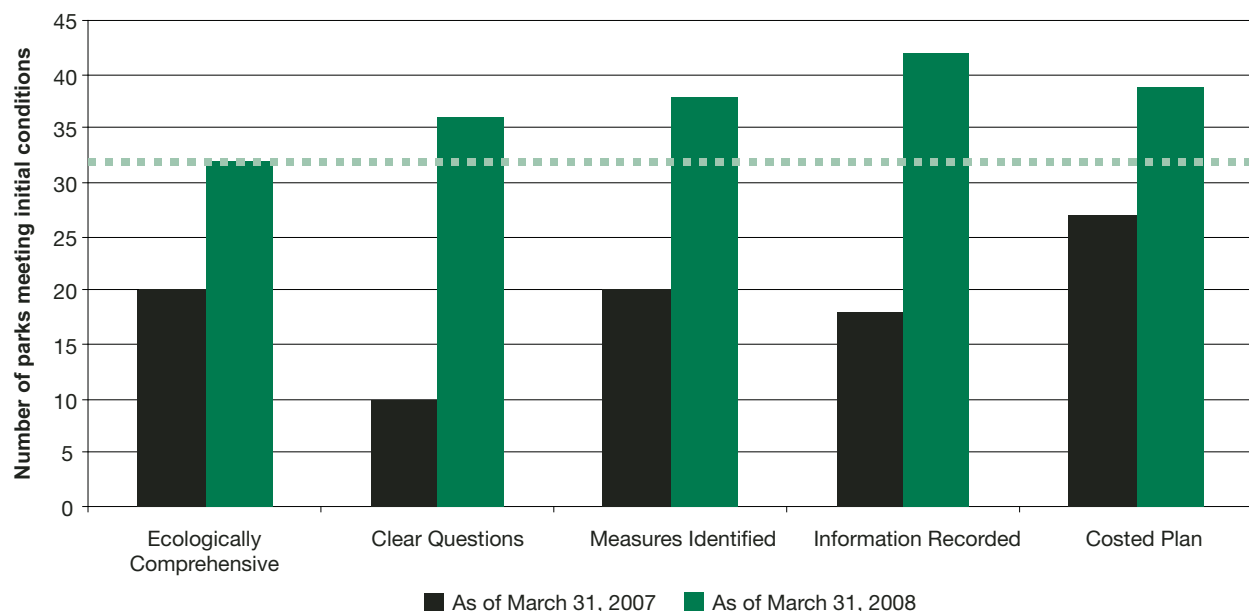
Performance Expectation

Improve aspects of the state of ecological integrity in each of Canada's 42 national parks by March 2014.

Performance Status

Over the last five years, the Agency has implemented a significant number of initiatives in the area of active management and restoration. To date, over 70 active management and restoration projects have been implemented in 37 national parks, with over 200 specific ecological integrity measures identified to assess improvements in ecological integrity. All of these ecological integrity innovation and species at risk recovery projects are tracked through a project tracking system, and specific short-term targets have been identified for achieving improvements in ecological integrity by March 2014. There is currently incomplete information to assess the impact of these projects.

FIGURE 5: INITIAL CONDITIONS FOR A FULLY FUNCTIONAL MONITORING AND REPORTING SYSTEM



During this reporting period, Parks Canada led the development of the *Principles and Guidelines for Ecological Restoration in Canada's Protected Natural Areas*, the first-ever Canada-wide guidance for ecological restoration practices. This document has been endorsed by all Ministers responsible for national, provincial and territorial parks in Canada, as well as by the Canadian Council on Ecological Areas, and provides a tool for the Parks Canada Agency and its partners to maintain and improve healthy natural ecosystems, with the meaningful engagement of Canadians in the process.

Situational analysis

The ecological integrity of many national parks is being degraded as a result of habitat fragmentation, air and water pollution, climate change, biodiversity loss, invasive alien species, wildlife disease and incompatible land uses. Active management and restoration offers tools to help halt or reverse this degradation. The three following examples are typical of the type of results the Agency has obtained in maintaining and improving ecological integrity of the ecosystems found in national parks.

Example #1: Fire Management: Fires Bring New Life

Fire has always had a significant role in the maintenance of healthy natural ecosystems; fire recycles nutrients in the soil, helps encourage new plant growth, controls invasive alien species, and creates important habitat for birds and animals. Parks Canada seeks to reduce wildfire risk and approximate the ecological effects of the long-term historical fire regime that is characteristic of each park and site.

Approximately 60% of parks are actively managing fire, 41% of parks/sites with fire dependent/fire prone vegetation have clear fire/vegetation management objectives in their management plans (up from 24% in 2006-2007), and 20 fire plans (prescribed burns) covering 18,529 hectares were approved in 2007-2008.

In 2007-2008, 14 prescribed burns covering 2,082 hectares were ignited. This number is below the eight-year moving average of 15 prescribed burns covering 8,024 hectares. In 2007-2008, Parks Canada responded to 181 wildfires, which resulted in 223,115 hectares burned. This is well above the eight-year average of 76 wildfires, and above the annual average area burned. In all, 11 of the 27 parks actively managing fire have restored this process to a level of at least 20% of the annual average area that historically burned in the region. The program's short-term target is to attain this level in 14 parks (50%).

Fires, whether set under controlled conditions or managed wildfires, contribute to healthy ecosystems and, along with other factors, may result in changes to the stressor rating of individual parks. Proper use of fire in our national parks has improved the ecological integrity of these special places.

Example #2: Species at Risk Recovery Actions and Public Engagement, Kejimikujik National Park and Historic Site

Under the *Species at Risk Act*, Parks Canada is responsible for the protection and recovery of listed species at risk and their habitats found in national parks, national marine conservation areas, national historic sites and other protected heritage areas administered by Parks Canada.

Kejimikujik National Park and Historic Site and its surrounding ecosystem are Atlantic Canada's hot spot for species at risk. Fourteen (14) species in the area are listed under the federal *Species at Risk Act*, and the park is leading recovery efforts for three species: the Blanding's turtle, eastern ribbonsnake and water-pennywort. Although results have been achieved this year for protecting eastern ribbonsnake and the water-pennywort, this report highlights the results for recovery of the Blanding's turtles, reflecting the Agency's understanding of this species habitat and recovery needs.

Recovery efforts require many years of sustained effort. The Kejimikujik project is primarily focused on enhancing critically small populations of Blanding's turtles to remove them from imminent risk of extinction while defining and addressing the root causes of their decline. Park managers have established a very strong volunteer stewardship program to involve park visitors, neighbouring communities, and local Mi'kmaq in recovery activities.

In 2007-2008, 84 volunteers contributed more than 1500 hours to protect 19 Blanding's turtle nests in Kejimikujik National Park and Historic Site. The volunteers have been involved in a combination of nest screening to protect eggs from predators and increasing protection for road-edge nesting turtles. The park is on track to release 35 head-started turtles in 2008. In the summer of 2007, long-time park volunteers discovered a new population of turtles in an area adjacent to the park – only the fourth such population in the province. With the help of these and other volunteers, a total of 38 Blanding's turtle nests in Southwest Nova Scotia have been successfully protected. The short term targets are to maintain or improve the current rate of 60% egg survivorship and to improve the 12% hatchling success through the head-start program.

Example #3: Amphibian Tunnels in Waterton Lakes National Parks

A unique approach to ecological restoration is underway in Waterton Lakes National Park. Long-toed salamanders suffer 10-40% annual mortality, crossing a busy road that separates the wetland, where the species breeds, from the rest of its habitat. While much still needs to be researched regarding the lifecycle of this species, recent studies suggest a steep decline in the population. Road mortality also affects other amphibians and reptiles attracted to the wetland.

Specially designed culverts will be installed to allow the animals to pass safely under the road. The targets for this project are to reduce the mortality rate related to the road crossing and to increase the population from its most recent low of 289 individuals.

Though considerable success has been achieved in communicating the value of the project to local and national media and in establishing a university partnership to study the effects of the tunnels, the project has experienced delays. The baseline study of salamander crossing before installation had to be postponed by one year to ensure that the spring migration was recorded. Challenges in procurement of the tunnels resulted in a missed opportunity to install them in the fall of 2007. Parks Canada is committed to developing a new long-term funding process that is aligned with the park's annual business planning cycle and that will allow plenty of lead time to implement priority projects such as these in the future.

Finally, this performance expectation has been modified as part of the strategic outcome and program activity architecture review to allow for clearer reporting at a corporate level. Parks Canada published in its *2008-2009 Corporate Plan* the performance expectation as being: 90% of national parks have at least one improved ecological integrity indicator from March 2008 to March 2013. With an ecological integrity monitoring system in place, with national principles and guidelines for ecological restoration in place, Parks Canada will be in a better position to report on ecological integrity improvements as a result of active management restoration projects.

Planned Result

Maintain or Improve the Commemorative Integrity of National Historic Sites, and the State of Other Cultural Resources Administered by Parks Canada.

Parks Canada administers 158 national historic sites located throughout the country. Each of these sites commemorates a significant example of Canada's history and their commemorative integrity is achieved when:

- Resources directly related to the reasons for the site's designation as a national historic site are not impaired or under threat;
- The reasons for the site's designation as a national historic site are effectively communicated to the public; and

FIGURE 6: STATUS OF COMMEMORATIVE INTEGRITY OF SPECIFIC PARKS CANADA ADMINISTERED NATIONAL HISTORIC SITES

Overall % of Ratings (n=119)		2007-2008 (n=22)			2006-2007 (n=20)			2005-2006 (n=19)			2004-2005 (n=13)			2003-2004 (n=14)			2002-2003 (n=18)			2001-2002 (n=13)		
		RC	EC	MP	RC	EC	MP	RC	EC	MP	RC	EC	MP	RC	EC	MP	RC	EC	MP	RC	EC	MP
Good	28%	7	3	10	8	6	4	5	6	6	5	3	2	6	2	5	4	1	0	5	3	7
Fair	50%	13	11	8	11	7	12	10	7	9	6	5	8	8	9	7	9	10	13	7	5	5
Poor	22%	2	8	4	1	7	4	4	6	4	2	5	3	0	3	2	5	7	5	1	5	1

Source: Commemorative Integrity database

Sites selected for evaluation each year represent a mix of size and location and differ in their complexity of operation and themes. New sites are selected for evaluation each year and no site has been evaluated more than once. It cannot be assumed that the sites nor the commemorative integrity ratings of the specific sites are representative of other national historic sites administered by Parks Canada.

- The site's heritage values are respected in all decisions and actions affecting the site.

Following designation, each national historic site is responsible to develop a commemorative integrity statement (please consult the Parks Canada website at www.pc.gc.ca for more information on this process). Once a commemorative integrity statement has been completed, the Agency conducts an evaluation to determine the site's current state of commemorative integrity. The commemorative integrity evaluation rates three elements, resource condition (RC), effectiveness of communications (EC) and selected management practices (MP) on a good, fair and poor scale.

As of March 31, 2008, 119 out of 138 national historic sites having a commemorative integrity statement have been evaluated. The results of these evaluations can be found in Figure 6. Seventy-eight percent (78%) of all the ratings for the 119 national historic sites are good or fair.

Each national historic site with poor ratings on one or more elements of commemorative integrity is reassessed five years after the original commemorative integrity evaluation to determine whether actions have been taken to improve these elements and whether improvements occurred. In 2007-2008, Parks Canada reviewed its reassessment methodology to align it with the formal commemorative integrity evaluation methodology for enhanced reliability. These reassessments are

conducted by Parks Canada staff and include representatives from national office, field units, service centres and the national historic site being reassessed.

Sites originally evaluated six years ago were reassessed in this reporting period in comparison to baseline data from the initiation of the commemorative integrity evaluation program in 2001-2002. In order to move to a five-year cycle, reassessments will be accelerated in 2008-2009 to include those national historic sites originally evaluated in 2002-2003 and 2003-2004.

Performance Expectation

Improve 75% of the elements of commemorative integrity rated as poor to at least fair condition, within five years of the original assessment.

Performance Status

Seven elements rated as poor in 2001-2002 (highlighted in Figure 6) were reassessed in 2007-2008. Four of them have been improved to at least fair within six years of the original assessment. Parks Canada achieved a 57 % improvement as shown in Figure 7.

FIGURE 7: RESULTS OF THE REASSESSMENT OF COMMEMORATIVE INTEGRITY ELEMENTS RATED AS POOR IN 2001-2002

National Historic Site	Initial Commemorative Integrity ratings 2001-2002			2007-2008 Reassessment Rating
	Resource Condition	Effectiveness of Communications	Selected Management Practices	
Butler's Barracks (Niagara-on-the-Lake, ON)		POOR		POOR
Cape Spear (Cape Spear, NL)		POOR		POOR
Jasper Park Information Centre (Jasper, AB)	POOR	POOR		POOR (EC) GOOD (RC)
Gitwagak Battle Hill (Kitwanga, BC)			POOR	GOOD
Riel House (Winnipeg, MB)		POOR		GOOD
S.S. Keno (Dawson, YT)		POOR		GOOD
% of Poor Ratings Improved	100%	40%	100%	57%

Source: Parks Canada's Reassessment of Sites With Poor Ratings

Situational analysis

Detailed information regarding the specific actions undertaken at the sites referred to in Figure 7 to improve elements of commemorative integrity rated as poor is provided below.

Butler's Barracks – This site is making progress towards improving its rating for Effectiveness of Communications. Information on the Parks Canada website about this site has been improved since 2002. As well, new interpretive panels have been installed on-site and provide information about the history of the site but do not effectively convey the reasons for national significance.

Cape Spear – This site is also making progress towards improving its rating for Effectiveness of Communications. Since 2001, there have been modest improvements in the communication program at this site. As a result of changes to the staff training program, message delivery by staff during the operational season has improved with a stronger focus on providing messages related to the reasons for designation of the site. Key site messages, however, are not yet delivered to the majority of visitors.

Jasper Park Information Centre – This site has shown significant improvement in its rating for Resource Condition. Structural elements of the building at the Jasper Information Centre have been upgraded and enhanced. Many attributes of the historic value, previously hidden, have been revealed and can now be more easily communicated to visitors. Since 2002, information on the Parks Canada website about this site has been enhanced to improve the Effectiveness of Communications element, however, further work to convey the reasons for designation and other related messages has not yet been implemented.

Gitwagak Battle Hill (formerly Kitwanga Fort) – This site has shown significant improvement in its rating for Selected Management Practices. Improvements have been made to the inventory and evaluation of archaeological sites and objects, especially the oral history tapes that are currently being transcribed to preserve them for the future. Cultural resource management practices are being incorporated at the site and a conservation plan is now in place.

Riel House – This site has shown significant improvement in its rating for Effectiveness of Communications through numerous additions to

their programming, including updated interpretive media, enhanced site tours and new education initiatives. This site is operated by a third party and guides are provided with extensive training which includes references to the Cultural Resource Management Policy, as well as the Parks Canada Charter and the process for designation. Staff are able to place and present Riel House in its context and within the Parks Canada system.

S.S. Keno – This site has shown significant improvement in its rating for Effectiveness of Communications. Since 2001, a new exhibit kiosk has been installed adjacent to the site and conveys a number of messages identified in the site's Commemorative Integrity Statement. The freight deck of the vessel is now open for public tours and effectively incorporates the messages related to the reasons for designation.

Overall, these reassessed sites have taken steps to improve their ratings, some with great success and others requiring further work to ensure their commemorative integrity. For 2008-2009, the performance expectations related to commemorative integrity are set as follow: 70% of the condition of cultural resources and management practices and 75% of the communication element rated as poor are improved within five years. The targets for the condition of cultural resources and management practices have been reduced to allow greater emphasis to be placed on the communication element which has been identified as a priority within the Agency. Budget Plan 2005 established long-term funding to assist in the protection of cultural heritage assets and Parks Canada continues to work towards improving the state of commemorative integrity at its national historic sites.

PROGRAM ACTIVITY 3: PROMOTE PUBLIC APPRECIATION AND UNDERSTANDING

Planned Result

Encourage the Support and Involvement of Canadians and Stakeholders and Their Knowledge and Appreciation of Canada's Heritage Places.

Performance Expectation

Develop indicators, expectations and protocols for measuring public appreciation and understanding of Canadians and stakeholders by May 2007.

As stated in Section 1, Parks Canada is implementing, through its *2008-2009 Corporate Plan*, a revised strategic outcome and program activity architecture. As part of this exercise, the program activity was further analysed and refined, and constitutes the basis for a new assessment of results for this performance expectation.

Public appreciation and understanding aims to reach Canadians, particularly youth and urban audiences, at home, at leisure, at school and in their

communities through effective and relevant learning opportunities designed to increase understanding, appreciation, support and engagement towards natural and historic heritage places. To accomplish this, Parks Canada is collaborating with audiences and strategic partners within formal, informal and non-formal learning contexts.

Using a diversity of carefully targeted outreach education approaches, such as the Parks Canada website, broadcasting and new media, integration into urban venues and introduction of content into school curricula, the Agency helps build a connection to place essential to achieving its mandate. Parks Canada also intends to broaden its base of support by involving its many stakeholders, and encouraging shared leadership in the development and implementation of the Agency's future direction.

Performance Status

Expected results, indicators and performance expectations for measuring public appreciation and understanding of Canadians and stakeholders were established during 2007-2008 as presented in Figure 8. No other tools were developed or procedures for measurement and analysis undertaken during this reporting period.

Situational analysis

Parks Canada aims to ensure that Canadians appreciate the significance of its heritage places by communicating that these places were established because they are representative of Canada's natural and historical heritage. The Agency also aims to ensure that Canadians understand the importance of protecting and presenting these heritage places so that they are enjoyed in ways that leave them unimpaired for present and future generations.

At the broadest spectrum, Parks Canada communicates and has relationships with all Canadians. However, most communications are more targeted to ensure economy and effectiveness. Parks Canada selects the most relevant target audiences based on available information and emerging trends; current targets comprise urban Canadians, youth and ethnocultural groups. Parks Canada's stakeholders and partners are broadly based, representing individuals, groups and organizations that maintain a vested interest in the Agency's activities. They include Canada's organized natural and historical heritage non-governmental organizations, business associations and partners, foundations and other public sector organizations.

In order for Parks Canada to ensure effective and relevant learning opportunities a baseline measurement for the indicators must be established. In 2008-2009, quantitative measurement tools will be developed and/or revised (e.g., Parks Canada's national survey of Canadians) and research will be conducted to set these baseline values by March 2009. Measurement protocols such as frequency and timing of measurement, alignment of tools with other reporting programs, sampling methods for target groups, and analytical approaches for individual performance expectations will also be established.

FIGURE 8: EXPECTED RESULTS, INDICATORS AND PERFORMANCE EXPECTATIONS FOR MEASURING PUBLIC APPRECIATION AND UNDERSTANDING

Program Activity Level	Public Appreciation and Understanding	
Expected Result	Indicator	Performance Expectation
Canadians appreciate the significance of heritage places administered by Parks Canada and understand the importance of protecting and presenting them.	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.
	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.

PROGRAM ACTIVITY 4: ENHANCE VISITOR EXPERIENCE

Planned Result

Facilitate Experiences that Provide Learning Opportunities, Visitor Satisfaction and Personal Connections.

The Visitor Information Program (VIP) uses a standard visitor 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 areas 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, nor to visitors who did not visit the surveyed location, nor to other national parks, national historic sites or national marine conservation areas in the system that did not field 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% of the total recorded visits to Parks Canada administered heritage places.

For this reporting period, VIP results were received from three national parks (St. Lawrence Islands, Bruce Peninsula and Prince Albert) and 16 national historic sites (Grand Pré, Fort Beauséjour, Signal Hill, Sainte-Anne-de-Bellevue, Coteau-du-Lac, Sir George-Étienne Cartier, The Fur Trade at Lachine, Artillery Park, Lévis Forts, Trent-Severn Waterway, Hamilton Discovery Centre, Fort Wellington, Laurier House, Chilkoot Trail, Gulf of Georgia Cannery and Fort Rodd Hill/Fisgard Lighthouse). No national marine conservation areas were surveyed.

Performance Expectation

50% of visitors to national parks and national marine conservation areas and 80% of visitors to national historic sites will participate in learning experiences at all surveyed sites.

Performance Status

On the VIP questionnaire, visitors are asked to identify themselves as users/participants of specific learning products or services prior to rating level of satisfaction with the individual products/services.¹² On average 72% of the visitors at the three participating national parks in 2007-2008 used at least one heritage presentation product or service. On average 91% of visitors to the 16 surveyed historic sites in 2007-2008 reported they used at least one heritage presentation product or service.

The level of participation in heritage presentation programs and activities is usually higher for national historic sites/canals than national parks. One key reason for the difference in participation between parks and historic sites is that heritage presentation is a core element of the visitor experience at historic sites, while many visitors to national parks come primarily for recreational purposes.

Performance Expectation

85% of visitors are satisfied, and 50% are very satisfied, with their experience at all surveyed sites.

Performance Status

On the VIP questionnaire, visitors are asked to rate their satisfaction with several aspects of their visit¹³ and their overall satisfaction, on a five-point scale ranging from five (very satisfied) to one (not at all satisfied). Results for the last five years are shown in Figures 9 and 10. At all locations surveyed this past year, the visitor satisfaction targets were met or exceeded.

FIGURE 9: VISITORS SATISFACTION WITH OVERALL VISIT AT NATIONAL PARKS

Year	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
# of Sites Surveyed	3	3	9	1	1
85% of Visitors Satisfied	met	met	met	met	met
50% of Visitors Very Satisfied	met	met	met	met	met

Source: Parks Canada Visitor Information Program

Situational analysis for both performance expectations

There were 1.8 million visitors to the 19 surveyed locations during the peak survey period of June to September 2007.

For the three national parks surveyed, 5,241 visitors were asked to participate – 3,629 of those agreed to participate and 1,345 questionnaires were completed and returned. For the 16 national historic sites surveyed, 10,630 visitors were asked to participate – 7,550 agreed to participate and 5,272 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 2007-2008 was 46% (overall average). Amongst the 16 national historic sites, response rates were between 36% and 80%, which is consistent with previous years; response rates for the three national parks were 16%, 22% and 73%.

FIGURE 10: VISITORS SATISFACTION WITH OVERALL VISIT AT NATIONAL HISTORIC SITES

Year	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
# of Sites Surveyed	16	11	13	8	6
85% of Visitors Satisfied	met	met	met	met	met
50% of Visitors Very Satisfied	met	met	met	met	met

Source: Parks Canada Visitor Information Program

SECTION 3:

SUPPLEMENTARY

INFORMATION

Alignment to Government of Canada Outcome Areas

Parks Canada Agency's Strategic Outcome

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.

Program Activity	Actual Spending 2007-2008 (\$ Thousands)		Alignment to Government of Canada Outcome Area
	Budgetary	Total	
Establish Heritage Places	19,808	19,808	Vibrant Canadian culture and heritage
Conserve Heritage Resources	201,388	201,388	Clean and healthy environment
Promote Public Appreciation and Understanding	33,287	33,287	Vibrant Canadian culture and heritage
Enhance Visitor Experience	286,621	286,621	Vibrant Canadian culture and heritage
Townsite Management	16,363	16,363	Safe and secure communities
Throughway Management	76,576	76,576	Strong economic growth

Parks Canada's programs, products and services contribute to the government of Canada outcome areas in many meaningful ways as describe below.

Vibrant Canadian culture and heritage is influenced by **Establish Heritage Places, Promote Public Appreciation and Understanding** and **Enhance Visitor Experience** because they:

- Establish Canada's national parks and national marine conservation areas, as well as designating 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 making it available to Canadians to discover and enjoy; and
- Enhance pride, and encourage stewardship and give expression to our identity as Canadians.

Clean and healthy environment is influenced by **Conserve Heritage Resources** because it:

- Maintains and restores ecological integrity in national parks through protection of natural resources and natural processes;
- Ensures commemorative integrity of national historic sites managed or influenced by Parks Canada;
- Ensures the ecologically sustainable use of national marine conservation areas; and
- Ensures 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 Management** because it:

- Provides municipal services to support residents and visitors.

Strong economic growth is influenced by **Throughway Management** because it:

- Ensures the availability and maintenance of provincial and inter-provincial highways and bridges connecting communities and passing through national parks and national historic sites; and
- Ensures that water level management for effective commercial and recreational navigation at national historic canals and waterways is compliant with legislation.

Table 1: Comparison of Planned to Actual Spending and Full-Time Equivalents (Unaudited)

Program Activity	2005–2006 Actual	2006–2007 Actual	2007–2008 (\$ Thousands)			
			Main Estimates	Planned Spending	Total Authorities	Actual
Establish Heritage Places	23,017	22,716	24,649	24,985	29,024	19,808
Conserve Heritage Resources	185,848	207,772	199,092	206,895	219,253	201,388
Promote Public Appreciation and Understanding	70,259	78,120**	34,214	34,230	36,299	33,287**
Enhance Visitor Experience	194,415	189,598**	267,206	267,327	304,232	286,621**
Townsite Management	9,802	13,503	12,659	12,664	19,337	16,363
Throughway Management	51,357	92,906	61,508	61,535	81,036	76,576
Total	534,699	604,615	599,328	607,636	689,181	634,043
Total	534,699	604,615	599,328	607,636	689,181	634,043
Plus: Cost of services received without charge	48,626	43,666	-	38,902	-	41,616
Net cost of Program	583,325	648,281	599,328	646,538	689,181	675,659
Full Time Equivalents*	4,131	4,204	4,315			

*Source: FTE actuals – Salary Management System

Totals may not agree due to rounding

**The variance between 2006-2007 and 2007-2008 actual expenditures in Promote Public Appreciation and Understanding and Enhance Visitor Experience is mainly attributable to:

- The realignment of Heritage Presentation Program expenditures to Enhance Visitor Experience;
- The receipt of one time funding for the Québec City 400th anniversary celebrations; and
- The realignment of External Communications to Promote Public Appreciation and Understanding.

Table 2: Use of Resources by Program Activity (Unaudited)

Program Activity	2007-2008 (\$ Thousands)			
	Budgetary			Total
	Operating	Capital	Grants and Contributions	
Establish Heritage Places	17,076	1,683	1,049	19,808
Conserve Heritage Resources	180,017	11,122	10,249	201,388
Promote Public Appreciation and Understanding	32,368	245	674	33,287
Enhance Visitor Experience	245,530	40,514	577	286,621
Townsite Management	9,423	6,900	40	16,363
Throughway Management	39,223	37,353	0	76,576
Total	523,637	97,817	12,589	634,043

Totals may not agree due to rounding

Table 3: Voted and Statutory Items (Unaudited)

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007-2008 (\$ Thousands)			
		Main Estimates	Planned Spending	Total Authorities	Actual
25	Program expenditures	447,022	454,955	532,806	477,668
30	Payment to the New parks and historic sites account	2,300	2,300	500	500
(S)	Expenditures equivalent to revenues resulting from the conduct of operations pursuant to section 20 of the <i>Parks Canada Agency Act</i>	104,000	104,000	107,328	107,328
(S)	Contributions to employee benefit plans	46,006	46,381	48,547	48,547
	Total	599,328	607,636	689,181	634,043

Totals may not agree due to rounding

Sources of Respendable Revenue

For supplementary information on the Agency's sources of respendable revenue please visit: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

2007-2008 User Fee Reporting Table 6-A: *User Fees Act*

For supplementary information on the Agency's User Fees, please visit: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

2007-2008 External Fee Reporting Table 6-B: Policy on Service Standards for External Fees

For supplementary information on the Agency's Service Standards for External Fees, please visit: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

Details on Project Spending

Supplementary information on Project Spending can be found at: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

Details on Transfer Payment Programs

Further information on the following programs can be found at <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

- Contribution in support of the Commercial Heritage Properties Incentive Fund;
- Historic Places Initiative Class Contribution Program;
- Cost Sharing Class Contribution Program; and
- General Class Contribution Program (GCCP).

Sustainable Development Strategy

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

The Parks Canada Agency is in the business 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 commitments in the 2007-2008 Corporate Plan mirror those in the 2007-2009 Agency SDS. As this Departmental Performance Report provides the Agency's performance against the expected results contained in the 2007-2008 Corporate Plan, no separate reporting on SDS commitments will be provided.

Response to Parliamentary Committees and External Audits

For supplementary information on the Agency's response to Parliamentary Committees and External Audits please visit: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

Internal Audits and Evaluations

For supplementary information on the Agency's Internal Audits and Evaluations, please visit: <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

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 annual 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 internal audits, evaluation and review studies for information and/or 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

August 1st, 2008

Original signed by

André Léger
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, 2008 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, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Sheila Fraser, FCA
Auditor General of Canada

Ottawa, Canada
August 1st, 2008

PARKS CANADA AGENCY

Statement of Financial Position as at March 31

(in thousands of dollars)

	2008	2007
Assets		
Financial assets		
Cash entitlements (Note 3)		
General operations account	66,091	60,523
Specified purpose accounts	2,730	2,740
New parks and historic sites account	11,177	13,902
	79,998	77,165
Accounts receivable	10,503	8,314
	90,501	85,479
Non-financial assets		
Prepaid expenses	6,019	5,450
Inventory of consumable supplies (Note 4)	6,025	5,238
Tangible capital assets (Note 5)	1,459,406	1,437,044
Collections and archaeological sites (Note 6)	1	1
	1,471,451	1,447,733
	1,561,952	1,533,212
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities		
Federal government departments and agencies	13,907	10,781
Others	62,548	62,462
	76,455	73,243
Employee future benefits (Note 8)	5,155	4,507
Deferred revenue (Note 7)	12,298	12,171
	93,908	89,921
Long-term liabilities		
Employee future benefits (Note 8)	50,559	49,522
Provision for environmental clean-up (Note 9)	42,018	40,028
	186,485	179,471
Equity of Canada	1,375,467	1,353,741
	1,561,952	1,533,211

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

André Léger
Chief Financial Officer

PARKS CANADA AGENCY

Statement of Operations for the Year Ended March 31

(in thousands of dollars)

	2008	2007
Expenses (Note 10)		
Stewardship of National Heritage Places		
Establish Heritage Places	17,895	18,989
Conserve Heritage Resources	220,949	205,354
Promote Public Appreciation and Understanding	37,479	36,218
	<u>276,323</u>	<u>260,561</u>
Use and Enjoyment by Canadians		
Enhance Visitor Experience	263,233	234,066
Townsite Management	10,421	10,329
Throughway Management	39,184	41,313
	<u>312,838</u>	<u>285,708</u>
Amortization of tangible capital assets	<u>77,590</u>	<u>83,026</u>
Total expenses	666,751	629,295
Revenues (Note 11)	<u>109,927</u>	<u>102,995</u>
Net cost of operations (Note 12)	<u>556,824</u>	<u>526,300</u>

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)

	2008	2007
Balance at beginning of year	1,353,741	1,340,313
Net cost of operations	(556,824)	(526,300)
Services received without charge (Note 13)	41,616	43,666
Net cash provided by Government	534,101	496,878
Change in cash entitlements	2,833	(816)
Balance at end of year	1,375,467	1,353,741

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)

	2008	2007
Operating activities		
Net cost of operations	556,824	526,300
Items which do not involve cash:		
Amortization of tangible capital assets	(77,590)	(83,026)
Net loss on disposal of tangible capital assets	(661)	(1,126)
Services received without charge	(41,616)	(43,666)
Variations in Statement of Financial Position		
Increase (decrease) in accounts receivable	2,189	(1,987)
Increase in prepaid expenses	569	1,934
Increase (decrease) in inventory of consumable supplies	787	(56)
(Increase) decrease in accounts payable and accrued liabilities	(3,212)	4,557
(Increase) decrease in deferred revenues	(127)	432
Increase in employee future benefits	(1,685)	(4,381)
Increase in provision for environmental clean-up	(1,990)	(3,253)
Cash used in operating activities	433,488	395,728
Capital investment activities		
Acquisitions and improvements to tangible capital assets	100,934	101,678
Proceeds on disposal of tangible capital assets	(321)	(528)
Cash used in capital investment activities	100,613	101,150
Net cash provided by Government	534,101	496,878

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

PARKS CANADA AGENCY

Notes to Financial Statements for the Year Ended March 31, 2008

(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 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 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. When projects are substantially completed the costs are transferred to the appropriate asset category and amortization is initiated. 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 administered by the Government of Canada. 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, cost of tangible capital assets transferred to the Agency as at April 1, 1999, 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). The CRF 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, 2008, the balance of the general operations account is \$66.1 million (\$60.5 million in 2007).

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, 2008, the Agency has a balance of \$2.7 million (\$2.7 million in 2007) 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. Legislation 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:

	2008	2007
Available at beginning of year	13,902	12,422
Receipts:		
Parliamentary appropriation	500	3,000
Proceeds on disposal of tangible capital assets	310	505
Donations	64	18
	874	3,523
Expenditures:		
Capital Expenditures	3,599	2,043
	3,599	2,043
Available at end of year	11,177	13,902

4. Inventory of Consumable Supplies

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

	2008	2007
Top soil, sand, gravel and other crude material	972	983
Stationery, office and miscellaneous supplies	931	863
Printed books, publications and maps	862	584
Fuel and other petroleum products	859	695
Equipment, materials and supplies	660	755

4. Inventory of Consumable Supplies (cont'd)

	2008	2007
Construction material and supplies	588	615
Safety equipment	513	190
Fabricated wood and metal products	451	404
Uniforms and protective clothing	189	149
	6,025	5,238

5. Tangible Capital Assets

	Closing historical cost as at March 31, 2007	Net additions ⁽¹⁾ for the year ended March 31, 2008	Closing historical cost as at March 31, 2008	Accumulated amortization as at March 31, 2008	Net book value as at March 31, 2008	Net book value as at March 31, 2007
Buildings, fortifications and leasehold improvements	780,794	30,518	811,312	498,366	312,946	305,644
Improved grounds	591,009	5,063	596,072	510,834	85,238	97,735
Roads	982,855	19,026	1,001,881	625,657	376,224	375,140
Bridges	171,206	19,927	191,133	86,236	104,897	87,988
Canal and marine facilities	546,805	6,935	553,740	275,545	278,195	280,134
Utilities	182,123	15,014	197,137	100,624	96,513	85,981
Vehicles and equipment	130,003	906	130,909	99,360	31,549	32,037
Exhibits	104,853	1,229	106,082	91,155	14,927	15,630
	3,489,648	98,618	3,588,266	2,287,777	1,300,489	1,280,289
Land (Note 2d)						
-Acquired land	136,862	2,162	139,024	-	139,024	136,862
-Crown land	1	-	1	-	1	1
-Donated land	19,892	-	19,892	-	19,892	19,892
	156,755	2,162	158,917	-	158,917	156,755
Total tangible capital assets	3,646,403	100,780	3,747,183	2,287,777	1,459,406	1,437,044

⁽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 \$2.1 million (\$2.7 million in 2007) on the acquisition of land. The total cost of tangible capital assets includes \$123.4 million (\$98.6 million in 2007) 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 158 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 \$12.3 million (\$12.2 million in 2007) is an amount of \$9.6 million (\$9.5 million in 2007) representing the balance, at year end, for entrance fees, recreational fees, and rentals/concessions fees collected in advance.

The remaining \$2.7 million (\$2.7 million in 2007) 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:

	2008	2007
Accrued benefit obligation, beginning of year	54,029	49,648
Cost for the year	6,559	8,093
Benefits paid during the year	(4,874)	(3,712)
Accrued benefit obligation, end of year	55,714	54,029
Short-term portion	5,155	4,507
Long-term portion	50,559	49,522
	55,714	54,029

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:

	2008	2007
Agency's contributions	35,799	30,459
Employees' contributions	14,916	12,691

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 \$13.8 million (\$14.2 million in 2007), excluding interest, for alleged damages in regards to the application of leases and personal injury. 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 394 sites that are known or suspected of contamination. Based on the information available and detailed studies conducted thus far on 365 of these sites, the Agency has estimated and recorded a liability of \$42 million (\$40 million in 2007). The Agency has estimated additional clean-up costs of \$138.4 million (\$135.2 million in 2007) 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 2009. As of March 31st 2008, the Agency cannot assess with certainty the full impact of this initiative on its operations. At this time, management has recorded a liability of \$2.4 million (\$3.5 million in 2007) 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

	2008	2007
Salaries and employee benefits	366,863	335,522
Amortization	77,590	83,026
Professional and special services	61,000	57,735
Utilities, materials and supplies	50,220	50,209
Transportation and communication	33,080	29,559
Rentals	15,609	13,548

Accommodation received without charge (Note 13)	15,405	15,494
Grants and contributions	15,061	12,273
Payments in lieu of taxes	11,550	11,295
Repairs and maintenance	9,651	8,400
Information	5,925	6,289
Environmental clean-up	3,616	4,439
Net loss on disposal of tangible capital assets	661	1,126
Miscellaneous expenses	520	380
	<u>666,751</u>	<u>629,295</u>

11. Summary of Revenues by Major Classification

	2008	2007
Entrance fees	54,338	51,877
Recreational fees	23,206	21,676
Rentals and concessions	18,162	17,822
Other operating revenues	8,297	6,502
Townsites revenues	3,466	2,710
Staff housing	2,458	2,408
	<u>109,927</u>	<u>102,995</u>

12. Parliamentary Appropriations

a) Appropriations used:

	2008	2007
Appropriations voted:		
Vote 25 - Program expenditures	532,806	500,115
Vote 30 - New parks and historic sites account	500	3,000
Statutory appropriations:		
Revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	107,328	107,496
Contributions to employee benefits plan	48,547	44,735
Total appropriations	<u>689,181</u>	<u>655,346</u>
Less:		
Amount available in future year	<u>48,638</u>	<u>53,580</u>
Current year appropriations used	<u>640,543</u>	<u>601,766</u>

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

	2008	2007
Net cost of operations	556,824	526,300
Revenue received pursuant to section 20 of the		

b) Reconciliation of net cost of operations to current year appropriations used: (cont'd)

	2008	2007
<i>Parks Canada Agency Act</i>	107,328	107,496
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Amortization of tangible capital assets	(77,590)	(83,026)
Services received without charge (Note 13)	(41,616)	(43,666)
Net loss on disposal of tangible capital assets	(661)	(1,126)
	(119,867)	(127,818)
Changes in accounts affecting net cost of operations but not affecting appropriations:		
Vacation pay included in the accounts payable and accrued liabilities	135	(523)
GST included in the accounts payable and accrued liabilities	554	(563)
Employee future benefits	(1,685)	(4,381)
Provision for environmental clean-up	(1,990)	(3,253)
	(2,986)	(8,720)
Adjustments for items not affecting net cost of operations but affecting appropriations:		
Acquisitions and improvements to tangible capital assets	100,934	101,678
Proceeds on disposal of tangible capital assets	(321)	(528)
Change in prepaid expenses	569	1,934
Change in inventory of consumable supplies	787	(56)
Change in New parks and historic sites account	(2,725)	1,480
	99,244	104,508
Current year appropriations used	640,543	601,766

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

	2008	2007
Net cash provided by government	534,101	496,878
Revenue received pursuant to section 20 of the <i>Parks Canada Agency Act</i>	107,328	107,496
Changes in accounts not affecting net cash provided by government but affecting appropriations :		
Accounts receivable	(2,189)	1,987
Accounts payable and accrued liabilities	3,212	(4,557)
Less : Vacation pay included in the accounts payable and accrued liabilities	135	(523)
Less : GST included in the accounts payable and accrued liabilities	554	(563)
Deferred revenue	127	(432)
New parks and historic sites account	(2,725)	1,480
	(886)	(2,608)
Current year appropriations used	640,543	601,766

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 entered into transactions with related parties for a total of \$111.8 million (\$100.1 million in 2007) for services provided by Government departments, including an amount of \$103.8 million (\$94.9 million in 2007) with Public Works and Government Services Canada mostly related to architectural and engineering services of \$73.1 million (\$67.3 million in 2007) and payments in lieu of taxes of \$11.5 million (\$11.3 million in 2007).

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:

	2008	2007
Contributions covering employer's share of employees' insurance premiums and costs paid by Treasury Board Secretariat	20,526	21,122
Accommodation provided by Public Works and Government Services Canada	15,405	15,494
Services provided by the Department of Canadian Heritage for information management, information technology, finance, human resources and administrative support	3,864	3,864
Salary and associated costs of legal services provided by Justice Canada	1,146	2,366
Other services received without charge	675	820
	41,616	43,666

14. Commitments

- a) The Agency has entered into agreements for operating leases of equipment and accommodations for a total of \$11.6 million (\$9.8 million in 2007). 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:

2008-09	2,925
2009-10	865
2010-11	806
2011-12	681
2012-13	627
2013-14 and beyond	5,690

- b) The Agency has entered into contracts for operating and capital expenditures for approximately \$107.4 million (\$102.9 million in 2007). 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 Statistics Canada. 2005. Population Projections for Canada, Provinces and Territories, 2005-2031. Ottawa, ON: Statistics Canada.
- ² Statistics Canada. 2007. Immigration in Canada. A Portrait of the Foreign-Borne Population, 2006 Census Year. Ottawa, ON: Statistics Canada.
- ³ Statistics Canada. 2008. Canadian Population Census, 2006. Ottawa, ON: Statistics Canada.
- ⁴ Statistics Canada. 2005. Ethno-cultural Diversity in Canada. Prospects to 2017. Ottawa, ON: Statistics Canada.
- ⁵ Heritage Research Associates Inc. 1999. Canadian Inventory of Historic Buildings Revisited 1999. Consultants report prepared for the Department of Canadian Heritage.
- ⁶ SES Research. 2005. Trends in Public Environment Report. Ottawa, ON: PCO Communications and Consultation Secretariat. Government of Canada, 8 August.
- ⁷ Colour Communications. 2007. Parks Canada Brand Study. Report prepared for Parks Canada. Halifax, NS: Colour Communications Limited.
- ⁸ Blenkarn, A. 2007. Transformational Changes and Policy Shifts in Support of Partnering within, across and outside of Government – Survey and Executive Round Table Summary Presentation. Ottawa, ON: Presentation to Parks Canada’s Executive Board.
- ⁹ Statistics Canada. 2007. International Travel Survey 1996-2006. Ottawa, ON: Statistics Canada.
- ¹⁰ Colour Communications. 2007. Parks Canada Brand Study. Report prepared for Parks Canada. Halifax, NS: Colour Communications Limited.
- ¹¹ Government of Ontario. 2007. Travel Activities and Motivations of Canadian Residents, an Overview. Toronto, ON: Ontario Ministry of Tourism.
- ¹² Products and services provided on the VIP questionnaire vary by heritage place because of the inherent differences in their respective offers. Some examples of products/services that may be included on the VIP are: visitor centre exhibits, video presentations, children’s activities, staff talks and demonstrations, outdoor theatre events and staffed interpretive displays.
- ¹³ Examples may include: park staff courteousness, staff knowledge, service time at entry gates, service in official languages, condition of washrooms and availability of campsites.