

# THE HERITAGE CANADA FOUNDATION

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ANNUAL REPORT  
2001 - 2002

# C O N T E N T S

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THE BOARD OF GOVERNORS	1
CHAIR'S MESSAGE	2
EXECUTIVE DIRECTOR'S LETTER	3
THE YEAR IN REVIEW	4
GOVERNMENT RELATIONS AND ADVOCACY	5
COMMUNICATIONS	5
PROGRAMS	6
COMMUNITY HERITAGE DEVELOPMENT	7
PROPERTY	7
FINANCIAL STATEMENTS	8
FACT SHEET	10

## THE BOARD OF GOVERNORS

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Trudy E. Cowan	<i>Chair, Alberta</i>
Jim Bezanson	<i>Vice-Chair, New Brunswick</i>
Brenda Shannon	<i>Vice-Chair, Nova Scotia</i>
Harold D. Kalman	<i>British Columbia</i>
Michel Grenier	<i>Quebec</i>
Don Kerr	<i>Saskatchewan</i>
David McDowell	<i>Manitoba</i>
George Chalker	<i>Newfoundland and Labrador</i>
James Gordon Nelson	<i>Ontario</i>
Stephen Rowan	<i>Northwest Territories and Nunavut</i>
Paul H. Schurman	<i>Prince Edward Island</i>
Loree Stewart	<i>Yukon</i>

# C H A I R ' S M E S S A G E

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## **DEAR MEMBERS AND SUPPORTERS,**

Another year is history, and once again I had the pleasure and privilege to chair the Board of Governors of the Heritage Canada Foundation. Over the months, I was repeatedly impressed by the collegial discussions around the board table and the professional commitment of our small, but dedicated, staff. Under our executive director's guidance, the foundation

took great strides toward putting heritage on the agenda of decision makers at all levels in all fields, including politics, finance, planning and the environment. We maintained contact and strengthened our relationships with the heritage community across the country and have listened to and taken action on the growing number of preservation issues that were brought to the foundation's attention. Not only are our membership numbers gradually increasing, but, more frequently than ever before, both new and

renewing members are including a donation with their fees to assist the work of preserving heritage buildings and cultural landscapes. We are grateful for these and other indications that the foundation is moving in the right direction.

The work of the Heritage Canada Foundation is to ensure the good stewardship of the nation's heritage buildings and cultural landscapes – no small task. We have spent the year encouraging, enabling, demonstrating, teaching and rewarding good stewardship, and preparing the foundation to be even more effective in this role over the coming years.

Trudy Cowan

Chair  
Board of Governors  
The Heritage Canada Foundation

# EXECUTIVE DIRECTOR'S LETTER

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## DEAR MEMBERS,

Very little work has been done to date in Canada on the economic implications of heritage preservation. Since a thorough understanding of this subject is of vital importance to public policy, advocacy and program evaluation, the Heritage Canada Foundation convened the first national conference on this theme in Toronto in October 2001. (Proceedings are available from the foundation offices upon request.) Thereafter, we explored with interested parties how we might put in place the mechanisms to generate the requisite data and analysis and we will continue to work towards enhancing our national capacity in this area.

In January 2002, we brought out a research paper on the links between the built and natural environments. *Exploring the Connection Between Built and Natural Heritage*, which we dubbed our Green Paper, went into widespread distribution and served as the basis for exploratory meetings with key officials. We envisage that these ongoing meetings will result in a national conference on the subject, with the end objective of embedding heritage preservation in sustainable development strategies, sustainable community and "smart growth" initiatives, and the "green" agenda in general. The paper, available from the foundation offices, provides solid support for our view that the preservation of our built heritage is not only important from a cultural and historical point of view, but makes sound environmental sense as well. Work began, too, on a similar research paper on heritage tourism, to be published in time to form the basis for discussion at our 2002 annual conference devoted to that subject and to fuel subsequent initiatives.

Early in the new year, we launched our new Landmark Preservation Program, designed to provide an opportunity for heritage groups to raise funds for the acquisition, preservation or restoration of heritage properties, and for Heritage Canada members and others to contribute to these undertakings. We also added the new Heritage Canada Corporate Prize to our awards and prizes program. It will recognize

exemplary private sector stewardship of our built heritage.

For the fifth year in a row, the foundation administered Young Canada Works funding, providing approximately \$250,000 and creating 87 summer placements for young Canadians in heritage organizations across the country. We also produced and distributed our annual educational package, which this year focused on our industrial heritage. The Industry and Innovation Heritage Day 2002 poster and guide were developed with the support of Industry Canada, and were distributed to classrooms, youth groups and heritage organizations throughout Canada.

The Heritage Canada Foundation continued to work throughout the year with key officials on issues related to the emergent Historic Places Initiative, the first phase of which was announced in the late spring. In particular, the development of a true national trust for Canada and tax incentives for heritage preservation figured prominently in these discussions. With reference to fiscal incentives, we were particularly encouraged by the clear and strong support of our tax agenda expressed by the House of Commons standing committee on finance in its pre-budget report. Work will proceed until our objectives are achieved, but we are generally heartened by developments this year.



A handwritten signature in black ink that reads "Brian Anthony". The signature is written in a cursive, slightly slanted style.

Brian Anthony

Executive Director  
The Heritage Canada Foundation

# T H E   Y E A R   I N   R E V I E W

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The year 2001-2002 saw the Heritage Canada Foundation finally settle into a permanent home once again. After leasing office space in various Ottawa buildings over the past several years, the foundation purchased a historic house at 5 Blackburn Avenue in Ottawa's Sandy Hill area and moved its operations there last August. Originally the home of businessman William H.A. Fraser, the 1905 brick building was occupied during World War II by Air Marshal William Avery "Billy" Bishop, the famous air ace of World War I. It later served as the offices of the Italian embassy and headquarters of the Victorian Order of Nurses (VON).

Last October, Heritage Canada launched the new Landmark Preservation Program, designed to increase funds available to heritage groups by way of national appeals for support of their built heritage projects. Two applications have been accepted: the 248-year-old St. John's Anglican Church in Lunenburg, N.S., which is being restored after a fire, and the 1874 St. Ninian's Cathedral in Antigonish, N.S., which needs further stonework repairs.

Also in October 2001, four new governors were elected to the board: George Chalker for Newfoundland and Labrador; Michel Grenier for Quebec; Harold D. Kalman for British Columbia, and Stephen Rowan for the Northwest Territories and Nunavut. The board re-elected Trudy Cowan of Alberta as chair and named Jim Bezanson of New Brunswick as 1st vice-chair, Brenda Shannon of Nova Scotia as 2nd vice-chair, and Loree Stewart of Yukon as member at large.

The research report *Exploring the Connection Between Built and Natural Heritage*, published last winter, received enthusiastic response from municipalities, government departments, organizations and individuals. The report dealt with the close relationship between the preservation of built heritage and the conservation of natural environment with reference to sustainable development and smart growth within communities. The retention, restoration and adaptive use of Canada's heritage building stock makes sound environmental sense, and policies and practices reflecting this approach are being pursued with interested parties.

For Heritage Day 2002, a new Youth Web page was created in partnership with Industry Canada. This site showcases industrial innovations and heritage places across Canada.

During an official visit to Canada, HRH The Prince of Wales, patron of the foundation's Prince of Wales Prize, personally presented the 2000 Prize, the first such award, to the Town of Markham, Ontario, at a Rideau Hall reception in April 2001. The City of Victoria received the 2001 Prince of Wales Prize at an awards ceremony held in Toronto, in October 2001. This year, a new Heritage Canada Corporate Prize was created to encourage and reward exemplary commitment to the preservation of our built heritage on the part of businesses, large or small, operating in the private sector.

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## GOVERNMENT RELATIONS AND ADVOCACY

The Heritage Canada Foundation promoted the use of the \$2-billion federal Infrastructure Program for built heritage preservation. The executive director wrote to the provincial ministers and mayors across Canada to encourage them to apply for infrastructure funding for built heritage preservation projects in their jurisdictions.

Heritage Canada continued to meet with Department of Canadian Heritage (DCH) officials to encourage heritage initiatives, especially federal tax incentives for heritage buildings, and to discuss the new Historic Places Initiative. Staff also completed a brief on heritage policy for DCH, while the board of governors requested a meeting with the Minister of Canadian Heritage to discuss Heritage Canada's interest in the continued advancement of the proposal for a national trust for Canada. Staff also continued to meet with Department of Finance officials to encourage the department to move forward on proposed tax incentives for restoration activities and capital gains tax exemption on donated buildings. The Heritage Canada Foundation again filed a brief and appeared before the standing committee on finance during its pre-budget consultations. In its pre-budget report to the Minister of Finance, the committee expressed strong and unequivocal support for the foundation's tax agenda.

Throughout the year, Heritage Canada continued to monitor endangered heritage properties across Canada. Working with its governors, as well as provincial and territorial organizations and local community groups, staff provided information and assistance and, in many cases, intervened with various governments and the private sector to protect these properties. Some of the actions taken included opposing the proposal to construct a high-rise condominium on the graveyard of St. James' Cathedral in Toronto (the project was abandoned after the church received a \$5-million bequest); opposing the proposed demolition of the Eaton's store in Winnipeg (letters were sent to various officials and media interviews were conducted); cancelling the

annual conference awards gala at Toronto's Design Exchange Building as a protest over plans to destroy part of its unique façade; lobbying for the protection of the Rosedale Power Plant in Edmonton (it was designated a provincial heritage property); consulting with the Ontario ministries of Finance, and Tourism and Culture on tax relief; hosting a meeting with representatives from federal departments and agencies and other organizations on the economics of preservation; urging retention of St. Mary's Catholic School in Calgary; providing media interviews to help the Save Our Sanctuaries Committee preserve three francophone churches in Essex County, Ont.; and raising the alarm over the loss of farm buildings and the erosion of Canada's rural heritage.

## COMMUNICATIONS

### Magazine

During the year, the quarterly featured articles on Mennonite architecture in Waterloo, Ontario (Spring 2001), an examination of the effects of amalgamation on Toronto's heritage policies and services (Summer 2001), the restoration of the 1895 Lunenburg Academy (Fall 2001), and reusing and revitalizing our industrial heritage buildings (Winter 2002).

### Other publications

The print form of *Media Review* was cancelled in December 2001 as most subscribers have access to e-mail or Internet services. This allowed Heritage Canada to provide biweekly rather than monthly updates while reducing expenses.

*Exploring the Connection between Built and Natural Heritage*, a research report, was produced as part of the foundation's fundamental interest in the connection between natural and built heritage. The report was intended to raise awareness of the environmental value of heritage buildings and their role in sustainability.

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The complete proceedings from the October 2001 annual conference, *Preservation Pays: The Economics of Heritage Conservation*, were published and distributed to a wide audience.

### **Web site**

From April 2001 to March 2002, the average number of monthly visits to the Heritage Canada Web site was 4,378. The highest number was recorded in February, when the new Heritage Day 2002 Youth page ([www.heritagecanada.org/kids](http://www.heritagecanada.org/kids)) received 6,612 visits. This is double the user interest from February 2001, when the site was restructured. The most commonly used pages are the Magazine, What's New, Featured Building and Links. The latter page links users to Web sites of many new international heritage organizations as well as organizations in the *Heritage Directory 2001*. The Web site also publishes biweekly updates to the Media Review, lists all the Heritage Canada award winners from 1978 to the present and provides direct access to the new Landmark Preservation Program. The main features of the magazine are regularly updated and past issues are available on the Archive page. The number and variety of stories featured on the At Risk, Saved/Success and Heritage Lost pages have also been increased.

## **PROGRAMS**

### **Heritage Day**

The Heritage Canada Foundation, in co-operation with its sponsor and partner, Industry Canada, launched Heritage Day 2002 on February 18. The Honourable Maurizio Bevilacqua, Secretary of State, Science, Research and Development, and Trudy Cowan, HCF chair, unveiled the Heritage Day 2002 Industry and Innovation poster at the Canada Science and Technology Museum in Ottawa. The companion bilingual 20-page guide for teachers, youth leaders and heritage groups was also published. Approximately 40,000 posters and 30,000 guides were distributed to schools,

libraries, heritage organizations and museums. As well, a new Heritage Day 2002 Youth Web page, chronicling the evolution of industry in Canada, was successfully launched.

### **Awards**

The purpose of the Heritage Canada Foundation Awards Program is to recognize and celebrate excellence in the heritage preservation field, as demonstrated by individuals and groups, through achievements or projects consistent with Heritage Canada's mission, philosophy and guiding principles.

The City of Victoria, B.C., was the winner of the prestigious annual Prince of Wales Prize for its 40-year record of municipal leadership in heritage conservation. The awards jury particularly commended Victoria for its sustained, continuing development of its historic programs and its efforts to make historic preservation part of its overall planning strategy.

Dorothy Duncan, recently retired executive director of the Ontario Historical Society, received the Lieutenant Governor's Award for her illustrious career in heritage resource management and her lasting contribution to the conservation of Ontario's heritage.

The first recipient of Heritage Canada's Journalism Prize was Pamela Douglas, a reporter for the *Brampton Guardian* newspaper. For the past ten years, her coverage of local built heritage issues has helped change community opinion and gain support for preservation.

### **Young Canada Works**

During the summer of 2001, the Heritage Canada Foundation administered contributions under the Young Canada Works in Heritage Institutions (YCW) program. The foundation assisted in the creation of 87 summer jobs related to the heritage sector and delivered approximately \$250,000 in funding. Part of Canada's Youth Employment Strategy, the YCW program is funded by the Department of Canadian Heritage. In 82 different organizations, students

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between the ages of 16 and 30 were able to gain valuable work experience in projects such as creating inventories of heritage buildings, offering walking tours, interpreting historic sites and conducting research.

The Young Canada Works projects yielded a number of success stories. One example is Graham Winterbottom, a third-year student in geography and urban planning. He worked as a research assistant for the Maltwood Art Museum and Gallery at the University of Victoria for 15 weeks. During that time, he carried out architectural preservation fieldwork on Vancouver Island, photographing and documenting early Modern domestic, commercial and institutional buildings. Afterwards, he researched and compiled bibliographic and archival records on these B.C. buildings, and interviewed architects and building owners to support the buildings' profiles.

"This job has offered me an excellent opportunity to research topics directly related to my studies. It has given me a chance to work with the public, understand the community and its features, and helped me in my future career in architecture and planning," said Mr. Winterbottom.

### **Outreach**

Preservation Pays: The Economics of Heritage Conservation was the theme of the annual conference held last October in Toronto. Leading experts from Canada, the U.S. and Europe provided the hard facts and cold statistics that proved preservation does indeed pay. This ground-breaking look at the economics of heritage conservation shed light on the current state of research and practice in this emerging field with sessions from professional planners and heritage property developers. The benefits of heritage tourism were briefly explored. Executive director Brian Anthony commented that information from this conference will help equip the Heritage Canada Foundation and the larger heritage community in contributing to sound public policy in favour of heritage preservation.

Through this outreach program, staff participate in conferences, workshops and other events, presenting papers, consulting, and providing support and/or intervention on endangered heritage places. Staff made presentations about the role of the Heritage Canada Foundation to a number of local, provincial and national organizations.

### **COMMUNITY HERITAGE DEVELOPMENT**

The Heritage Canada Foundation entered a new four-year agreement to continue its support to the Fondation Rues principales in partnership with the Federal Office of Regional Development in Quebec and the Quebec Ministry of Municipal Affairs. Approximately 30 towns are engaged in community heritage development projects through this nonprofit organization.

### **PROPERTY**

The foundation continued providing support for its four historic properties: Runciman House in Annapolis Royal, N.S.; Papineau Chapel in Montebello, Que.; Myrtleville House in Brantford, Ont.; and the offices of the Fondation Rues principales in Quebec City. During the year, repairs and repainting of the façade of Runciman House were completed.



# FINANCIAL STATEMENTS

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## THE HERITAGE CANADA FOUNDATION CONDENSED CONSOLIDATED BALANCE SHEET

as at March 31, 2002  
(In thousands of dollars)

	2002	2001
<b>ASSETS</b>		
Current	\$ 511	\$ 565
Investments at market value	20,773	22,401
Capital assets	57	67
Heritage properties	1,267	250
	\$ 22,608	\$ 23,283
<b>LIABILITIES</b>		
Current	203	200
Mortgage payable	35	44
	238	244
<b>NET ASSETS</b>		
Endowment	16,180	16,180
Non-endowment	6,190	6,859
	22,370	23,039
	\$ 22,608	\$ 23,283

Note: Complete financial statements are available on written request to Heritage Canada.

To the members of the Heritage Canada Foundation:

We have examined the financial statements of the Heritage Canada Foundation for the year ended March 31, 2002, and have reported thereon without qualification to the members in our report dated May 2, 2002. The accompanying condensed consolidated balance sheet and condensed consolidated statement of revenue, expenses and net assets have been extracted from these financial statements.

Ottawa, Canada  
May 2, 2002

*Deloitte & Touche LLP*  
Chartered Accountants

### Management Comments On The Financial Statements

The financial impact of the events of September 11, 2001, had a continuing effect on our portfolio returns. Although the return was \$2.6 million better than the previous year, it was still not up to our expectations. We consequently lowered our expenditures by \$226,000 during the year while continuing to concentrate on our objectives.

Our operating revenues declined marginally this year.

Expenses in several areas were trimmed while maintaining our ability to serve all of our continuing program areas.

**THE HERITAGE CANADA FOUNDATION  
CONDENSED CONSOLIDATED STATEMENT OF REVENUE,  
EXPENSES AND NET ASSETS**

year ended March 31, 2002

(In thousands of dollars)

	<b>2002</b>	<b>2001</b>
<b>REVENUE</b>		
Operations		
Contracts	\$ 484	\$ 505
YCW contribution	255	274
Memberships	75	68
Conferences and symposiums	61	61
Grants	78	61
Property	18	18
Donations and bequests	14	11
Publications	2	2
Other	5	13
	992	1,013
Investment (Loss)	825	(1,783)
<b>Total revenue</b>	<b>1,817</b>	<b>(770)</b>
<b>EXPENSES</b>		
Community heritage development and networking	834	897
Management and administration	819	876
YCW	255	274
Policy and programs	227	251
Publications	159	160
Property	66	100
Board	94	99
Communications	32	55
<b>Total expenses</b>	<b>2,486</b>	<b>2,712</b>
Excess (Deficiency) of revenue over expenses	(669)	(3,482)
<b>NET ASSETS</b>		
Non-endowment, beginning of year	6,859	10,341
Non-endowment, end of year	6,190	6,859
Endowment, beginning and end of year	16,180	16,180
<b>Total net assets</b>	<b>\$ 22,370</b>	<b>\$ 23,039</b>

# FACT SHEET

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The Heritage Canada Foundation (Heritage Canada) is a national, membership-based organization and a registered charity (#11923 7477 RR0001). It was incorporated in 1973 by the federal government as a non-governmental organization to encourage the protection and promotion of the built, natural, historic and scenic heritage of Canada.

**Governance:** Heritage Canada's board of governors consists of 12 members, representing the provinces and territories, elected by Heritage Canada's members.

**Programs:** Heritage Canada has two principal programming activities: communications and demonstration programs.

## COMMUNICATIONS PROGRAM

**Publications:** *Heritage* magazine, published quarterly; biennial *Heritage Directory*; monthly *Media Review*; *Annual Report*.

**Web site:** The foundation's bilingual Web site at [www.heritagecanada.org](http://www.heritagecanada.org) provides up-to-date information in several sections: What's New, Featured Buildings, press releases and a biweekly Media Review. The site also features the entire listing of the Heritage Directory.

**Advocacy:** We work with government at all levels to improve heritage programs, policies and legislation. We support the preservation and careful stewardship of heritage buildings and historic landscapes.

**Annual Conference:** Each year, we hold an annual conference to present and debate issues central to the preservation of Canada's heritage places.

**Awards:** Prince of Wales Prize, Gabrielle Léger Award, Lieutenant Governor's Award, Achievement Awards, Journalism Prize and Corporate Prize.

**Heritage Day:** We encourage all Canadians to celebrate Canada's heritage on the third Monday in

February. Each year, we produce a Heritage Day poster on a theme reflecting the richness of Canada's built heritage. We also produce a Teacher's Guide for use by schools and youth organizations throughout the year.

## DEMONSTRATION PROGRAMS

**Property:** We are custodians of four properties: the Runciman House in Annapolis Royal, Nova Scotia (1817), the Fondation Rues principales premises in Quebec City (1670), the Papineau Chapel in Montebello, Quebec (1851), and the Myrtleville House Museum in Brantford, Ontario (1837).

**Young Canada Works:** We administer federal grants to assist nonprofit organizations and agencies in hiring young people to gain experience in the various aspects of heritage preservation.

**Community Heritage Development:** We work with municipalities to recognize and use heritage properties and amenities for the benefit of the community and visitors.

**Research And Development:** We investigate current trends and emerging issues and communicate our findings.



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Cover: The Coat of Arms of the Heritage Canada Foundation

The emblem of Heritage Canada, a maple leaf and keys on the shield, is surmounted by a three-turreted fort, a symbol of our built heritage. Supporting the shield are two beavers, symbols of perseverance and recognized as symbols of Canada for many generations.

The Latin motto, *Patrimonii publici propugnatores*, translates as “Champions of our heritage” and alludes to the mission of the Heritage Canada Foundation in protecting and promoting heritage buildings and places for the benefit of all Canadians.