

NRCan Infrastructure Gap, and a Case Study

National Executive Forum on Public Property

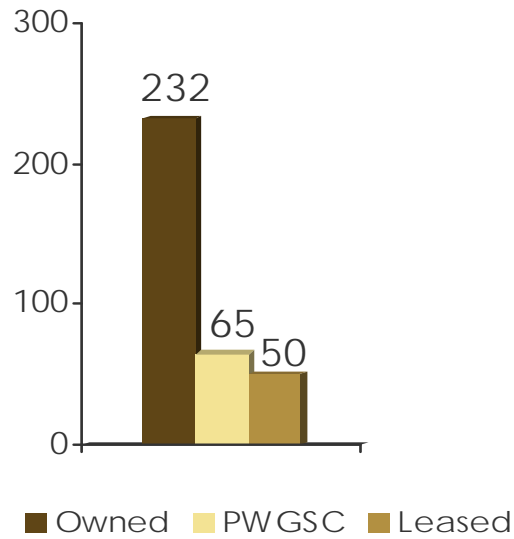
May 30, 2008



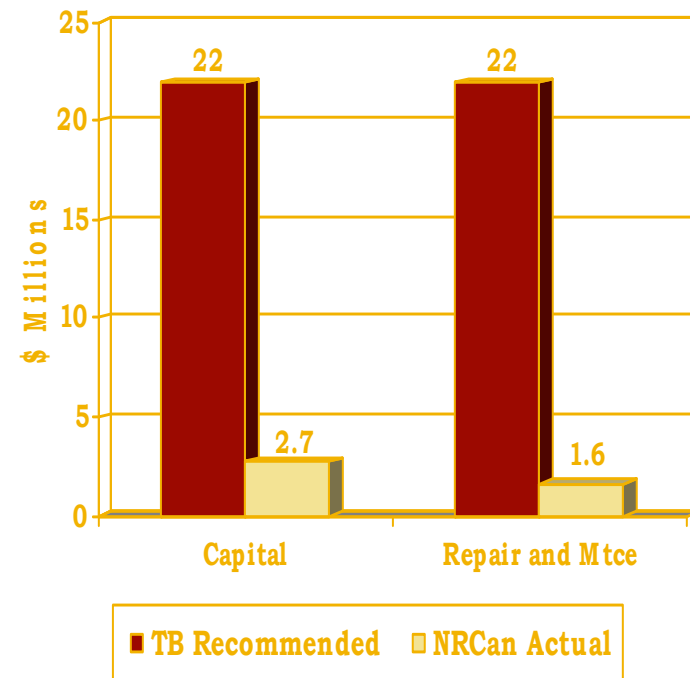
NRCan Portfolio and Funding Gap

Current Portfolio

331,000m²r



NRCan RP Funding Deficit



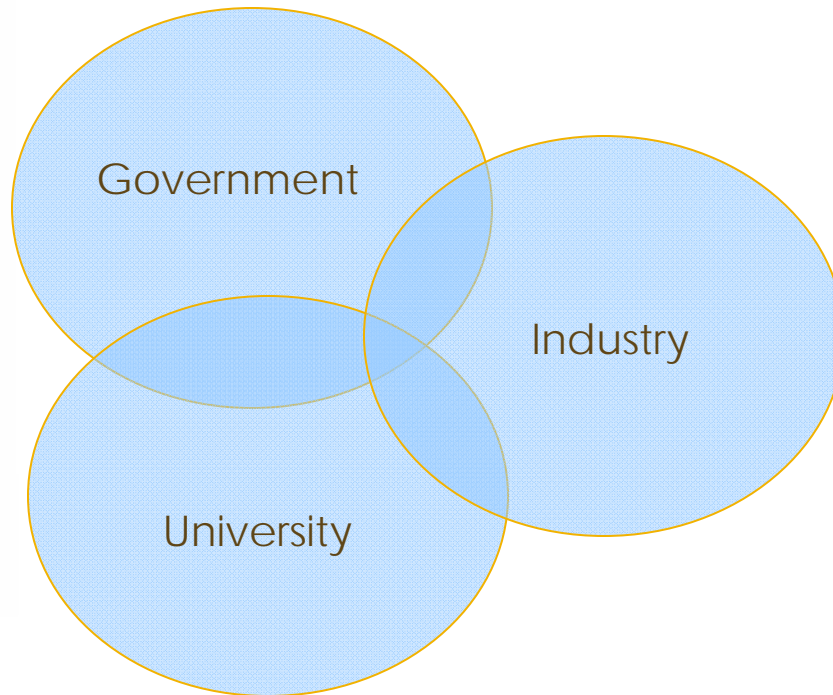
Owned Inventory

- Highest risk
- Average age 45 years+
- \$1.1B replacement
- 247 buildings, many small facilities across the country

Rationalization strategy required

Research and Innovation

CMS Corporate
Management Sector
SGI Secteur de la
gestion intégré



Federal Science Programs
Are Evolving

Demand/Supply Equation
Is Changing

- Research models are changing – more collaboration
- Federal science programs are adapting – strengthening partnerships
- Closer physical collaboration – sharing of facilities, equipment and highly qualified staff
- Unique supply solutions are emerging

3



Natural Resources
Canada

Ressources naturelles
Canada

06/06/2008

Canada

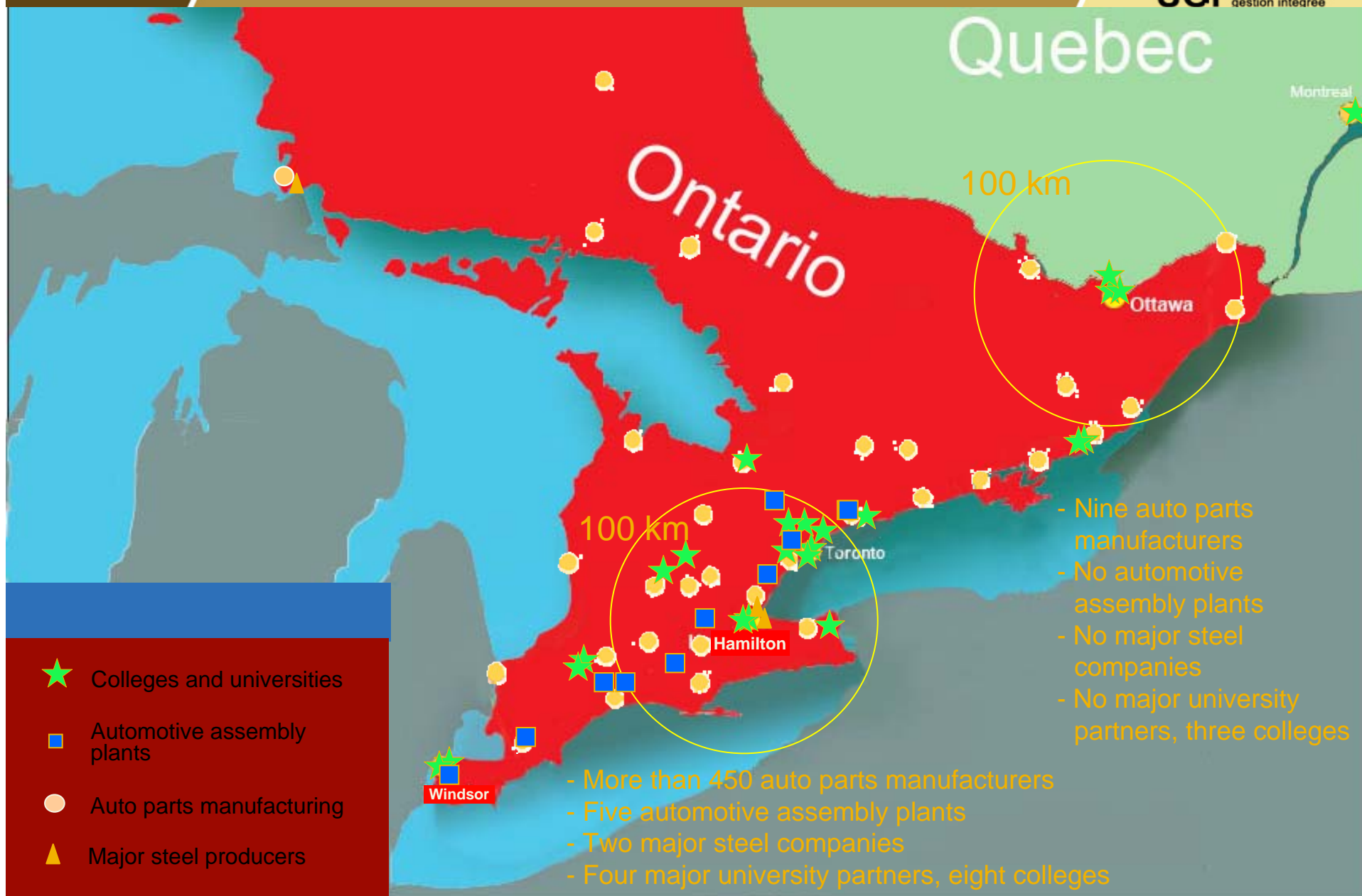
Case Study for CANMET Materials Technology Lab

MTL Mission: Improve the competitive, social and environmental performance of Canadian enterprises...

"[MTL]-- is a completely unique facility in Canada and of such a scope and capability level that it has not been duplicated at any other facility---- it is fair to say that it is probably unique in North America, if not the world."

- A case for relocation, based on Science Policy and Program need
- Partnerships with Academia and Industry, to position Canada in competitive global environment
- Aging inventory, high-maintenance equipment, few spare parts, difficult to upgrade, inadequate budget for capital equipment renewal,

Relocation rationale: partner proximity

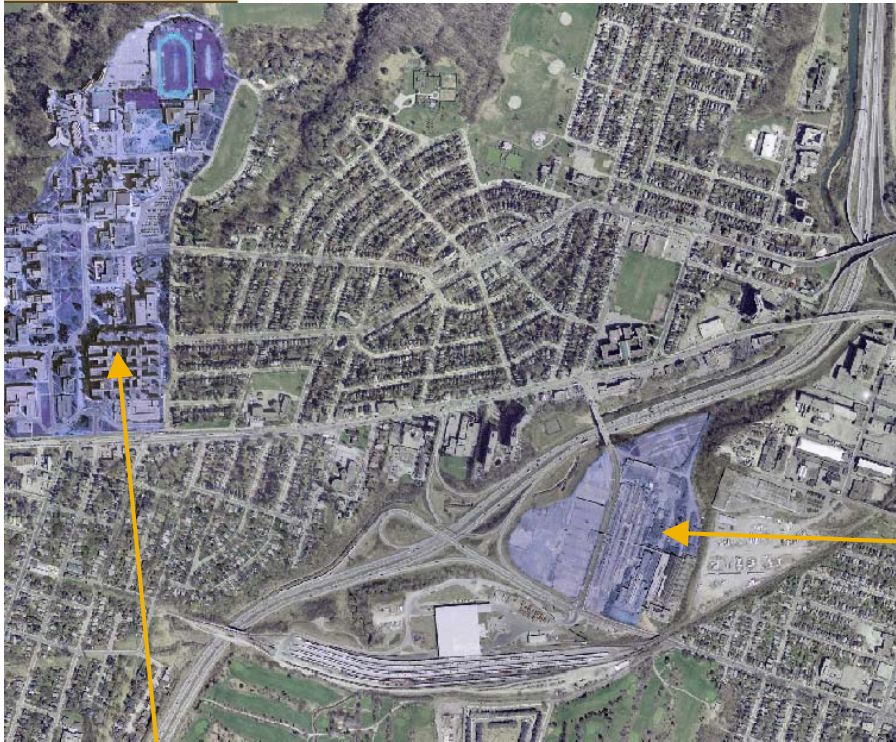


Instruments that guide the relocation project

- Business Case and TB Submission
 - New facility - Lease Project Approval
 - New scientific equipment
- Project Charter
- Lease Agreement
 - McMaster provides land
 - McMaster Innovation Park (developer) - responsible for design, construction, operation and maintenance
 - NRCan signs 25 year lease and operating agreement
- Research Agreement - defines collaborative approach
 - Administration, security, use, access...
- LEED Platinum facility

Proposed Site Plan

CMS Corporate
Management Sector
SGI Secteur de la
gestion intégré



McMaster Campus



MTL's New Building



Program

- MTL program is sustained for the future
- Excellence in science research and policy development
- Partnerships support new S&T policy – government, academia, industry

Capital Infrastructure

- Rust out addressed
- New opportunities are presented
 - Disposal and Redevelopment – portfolio rationalization
 - Savings
 - HR renewal

Conclusion

- Programs define demand
- Current supply threatens program delivery
- Innovative partnerships result in new demand models
- New supply options need to keep pace
- Infrastructure gap can be reduced
 - Portfolio rationalization
 - Non-custodial role for government