

**SUMMARY OF THE CORPORATE PLAN 2006-07 TO 2010-11
CAPITAL AND OPERATING BUDGET 2006-07**



THE CANADIAN MUSEUM OF NATURE IS PROUD
TO CELEBRATE OUR 150TH ANNIVERSARY IN 2006

Our origins date back to 1856 when our predecessor, the Geological Survey of Canada, received a mandate to create a museum for its collections of rocks, minerals, fossils, plants and anthropological artifacts. Today, we are the proud custodians of a world-class collection of more than 10 million specimens of Canada's natural heritage.

But we are more than just a museum with collections, and our influence is felt far beyond the walls of the Victoria Memorial Museum Building in Ottawa. We are a forward-looking institution dedicated to research, education, national access and renewal. Through travelling exhibitions and our Web site, the Museum's presence can be felt in homes and classrooms throughout the country and around the world.

As we journey into the new millennium, we do so with a renewed sense of purpose and commitment to our mandate:

To increase, throughout Canada and internationally, interest in, knowledge of and appreciation and respect for the natural world by establishing, maintaining and developing for research and posterity, a collection of natural history objects, with special but not exclusive reference to Canada, and by demonstrating the natural world, the knowledge derived from it and the understanding it represents.

HONESTY AND INTEGRITY • RESPECT FOR PEOPLE AND NATURE
THE PURSUIT OF EXCELLENCE • CONTINUOUS LEARNING

CMN Corporate Values



A NEW
BEGINNING



Canadian Museum of Nature

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A NEW BEGINNING



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CORPORATE OVERVIEW



Mandate and Vision

The Canadian Museum of Nature became a Crown corporation on July 1, 1990 under the *Museums Act*. It reports to Parliament through the Minister of Canadian Heritage.

The Museum's mandate is "to increase, throughout Canada and internationally, interest in, knowledge of, and appreciation and respect for the natural world." It fulfills this mandate "by establishing, maintaining and developing for research and posterity, a collection of natural history objects, with special but not exclusive reference to Canada, and by demonstrating the natural world, the knowledge derived from it and the understanding it represents."

This summary of the corporate plan outlines the key objectives and strategies the Museum will pursue over the next five years, for the 2006-07 to 2010-11 planning period. The plan includes the capital and operating budgets for 2006-07 and the results to September 30 for 2005-06. Fiscal year 2005-06 is the third year of action to implement a new vision of the Museum – "Connecting People with Nature." The fiscal year 2006-07 will mark the 150th anniversary of the Act in Parliament empowering the Geological Survey of Canada to establish a Geological Museum for Canadians. The Museum plans to celebrate this important milestone as it prepares to re-open a fully renovated West Wing in October 2006.

A story of renewal, based on consultations, surveys and experimentation...

In the period following the last stage of implementation of Programme Review measures, the Canadian Museum of Nature engaged in an extensive review of its mandate and service delivery through a process of national consultations and internal assessment of strengths and resources.

that creates a new vision...

The result was a new vision and five-year Corporate Plan – "Connecting People with Nature." The cornerstones of the new vision are:

- ▶ to be an engaging and trusted source for developing an understanding of the natural world;
- ▶ to work as a catalyst in bringing together a Canada-wide network of natural history expertise;
- ▶ to encourage learning about the natural diversity of Canada; and
- ▶ to be a valued contributor to Canadian public policy on natural science issues.

a new connection with Canadians – environmental change...

The strongest connection Canadians make with the Museum is environmental. Canadians want the Canadian Museum of Nature to be a source of substantive, trustworthy information on issues dealing with water, air, climate change, endangered species and invasive species. Therefore, the Museum has selected *environmental change* as the overarching focus for its treatment and study of these issues.

a new model of national service...

The Museum actively pursues partnerships, co-ventures or in-kind contributions from other organizations. As part of its vision to provide national service, the Museum took a leadership role in creating a network of natural history museums, the Alliance of Natural History Museums of Canada (ANHMC), across all provinces and territories. Since its incorporation in February 2004, the ANHMC has developed several initiatives, including joint exhibitions, research and collections management strategies, exchanges of travelling exhibitions across the country and internationally, and a communications strategy to encourage an informed discussion with key stakeholders and decision makers on natural science and sustainability issues.

an agenda for public education and research activities...

To implement the vision, two new public education projects are underway (*Fossil, Nature of Humans*) and two more are planned (the Discovery Centre and *Water.*) The Earth Sciences research programmes and Life Sciences research programmes have been re-oriented to concentrate on *environmental change*, using key scientific lines of inquiry such as phylogeny, taxonomy and systematics to compile information on biological diversity in support of international accords and other legislated demands, including the Species at Risk Act. Research in conservation and risk analysis is directed towards developing and applying a system for rational decision-making for collections development and preservation.

with ambitious fundraising objectives...

To implement its new vision and create four new national public education projects/galleries, the Museum announced in 2002 a commitment to raise \$16 million in new funds by 2008, to be matched with a \$10 million in-kind contribution from the Museum. This target is ambitious. As well as facing the usual fundraising challenges, the Museum must overcome the potential for resistance in other regions of Canada to contributing to an Ottawa-based museum that is perceived to operate as a federal government department.

and a commitment to manage operating and administrative costs tightly...

Strong management of the Museum's budget has been necessary in order to implement the new vision of national service in an environment of reduced revenues and rising fixed costs. Steps taken include rigorous management of staffing budgets, outsourcing of information technology and re-negotiation of all service levels, the introduction of new human resources and financial management information systems, and reductions in facilities operations costs, capital expenditures and service levels. The 2004 Treasury Board Secretariat benchmark review of real property costs noted that the Museum has the lowest cost-per-square-metre for facilities and security operations among similar national museums.

ACHIEVEMENTS IN 2005-06

Significant progress was made to initiate the new vision, including:

a) Greater emphasis on networks, partnerships and joint ventures with museums across Canada, with institutions in the public and private sector and other national institutions

The Museum continued to play a lead role in the Alliance of Natural History Museums of Canada (ANHMC). The ANHMC will present a travelling exhibition in North America about animal courtship, entitled *Fatal Attraction*. The Museum will manage the exhibition, which was co-produced by three members of CASTEx, a European natural history and science museum network.

Ice Age Mammals opened to acclaim at the Museum in June. The Museum developed the project in collaboration with the Montreal Science Centre and fellow ANHMC members Yukon Beringia Interpretive Centre and Royal Tyrrell Museum of Palaeontology. The project includes a travelling exhibition and programming, and will move to the Montreal Science Centre in April 2006.

In conjunction with other members of the Alliance, the Museum agreed to support the national launch in October 2005 of the series “Miracle Planet” produced by the National Film Board.

The Gee! in Genome project, an innovative exhibition on the science of genomics – involving the Museum, Genome Canada and the Canadian Institutes of Health Research – opened successfully in Montreal and La Baie, Quebec, and in Saint John, New Brunswick. It has been so enthusiastically received as it tours Canada that six additional suitcases for Genome Canada are in production. To date, over half a million Canadians have visited or participated in the national project, which is targeted to youth and the general public. A US\$42,000 contract was signed with the Singapore Science Centre for the transfer of electronic components from Genome.

The Museum continues to collaborate with other national museums to develop a Museums Passport to encourage multi-museum visits, and recently loaned specimens to the National Gallery for an exhibition at La Cité de l'énergie in Shawinigan, Quebec. The Museum and the Canada Science and Technology Museum will co-host the Canadian Science Centres Conference in Ottawa in May 2006 and are actively involved in planning for this national event.

b) An exciting and challenging re-orientation of all public education and research activities

Significant gallery development is underway to prepare for the West Wing opening scheduled for October 2006. A complete renewal of the Museum's exhibitions will result in 100,000 sq. ft of new exhibition spaces and programmes. Highlights include the new Fossil Gallery, Discovery Centre, new temporary exhibition spaces, travelling exhibitions and smaller exhibitions that will include the lantern space and Museum entrance. (For more details on the Museum's Permanent Exhibitions, see Appendix A.)

HIGHLIGHTS

Fossil Gallery

Fossils preparation for the new Fossil Gallery is 85 percent complete, the tertiary foreground is in production and the fleshed-out dinosaurs (Brontothere and Dinictus) were completed. Colour illustrations have been approved for the Late Cretaceous and translations are underway for exhibition text. Exhibit cabinetry is being constructed and specifications for eight Enhanced Learning stations were finalized. Work continued on the 10 gallery video presentations.

4th Floor Learning Centre

The project team has advanced detailed design on the temporary Learning Centre to house essential Museum functions while the East Wing and Atrium are under construction. These functions will be clustered together in the 4th floor west hall. The two main components will be a 50-60 seat theatre/presentation area, and a large multipurpose/classroom space which can accommodate both lab and workshop activities that are part of many school visits, as well as public and community programmes, and presentations. These functions are all part of the Discovery Centre planned to open in 2009 and the temporary set up will be used to test and pilot a number of activities that will be part of the permanent installation, including new activities linked to the *Fossil* and *Mammal* projects.

Mammals of Canada

The project team has worked on the preliminary design for the refurbished gallery and presentation to the Programme Committee in December 2005. The method for cutting and reassembling of the diorama shells has been established and the process has begun. The dioramas will be moved to the new gallery spaces in April 2006.

Birds in Canada

The creative concept and project briefs are in the development stages and will be presented to the Programme Committee in December 2005. The grouping of specimens for display and the associated conservation work has been established. Preliminary design is scheduled for presentation in February 2006, with installation scheduled to begin in August 2006.

Einstein

Einstein, a 6,500 sq. ft travelling exhibition organized by the American Museum of Natural History, The Hebrew University of Jerusalem and the Skirball Cultural Center, Los Angeles, will be presented in the newly renovated temporary exhibition space on the 3rd floor at the Museum in October 2006 as part of the reopening of the West side. The Museum is adapting the English-language exhibition by designing and producing a fully bilingual presentation.

The fundraising *Natural Partnerships* Campaign focused on two priority projects: *Fire and Ice*, and *Nature of Humans*. The Museum received a \$2 million title contribution – the largest it has ever received – for the Fossil Gallery, the first new permanent gallery in support of the new vision, which is on target to open in the renovated West Wing in October 2006.

There were over 2.6 million visitors to the Museum's Web site, **nature.ca**, an increase of 31 percent over the same period last year. A new Web site called Native Plant Crossroads was launched at the end of May, as a component of **nature.ca**. The Web site is a product of a three-year initiative of the Canadian Centre for Biodiversity, entitled "Best Stewardship Practices at the Community Level: Enhancing Native Plant Biodiversity," and is funded by the Salamander Foundation.

Two forums were held at the Museum on the role of the media in the public's understanding of science, in collaboration with the Canadian Association of Science Writers.

Museum researchers travelled across Canada this past summer, recovering fossils and minerals to reconstruct past species and their environments. Museum experts continued to participate in multidisciplinary research efforts in Canada's North in the Canadian Arctic Shelf Exchange Study (CASES) initiative.

The Museum continued to play an international leadership role in museum collection risk analysis. Risk Assessment Workshops were given to the Yale Peabody Museum and at a 10-day Conservation Workshop held in Rome under the aegis of the Canadian Conservation Institute and the International Centre for Conservation. The risk analysis approach of the Museum's researchers was prominently featured in the Society for Risk Analysis Newsletter entitled "What do we do? – A quarterly look at the incredibly diverse field of risk analysis."

The Museum is assisting the Canadian Committee for the International Union for the Conservation of Nature in putting together an initiative in support of the Biodiversity 2010 Challenge "to significantly reduce the rate of biodiversity loss by 2010" in order to raise public awareness and stimulate voluntary action among all sectors.

In collaboration with the Biosphère of Environment Canada, the Museum's Canadian Centre for Biodiversity is planning a workshop on "Sustainable Communities: a Crucible for Environmental Education" to be delivered at the 2005 conference of the Canadian Network for Environmental Education and Communication.

c) Renovation of the Victoria Memorial Museum Building

The extensive, five-year renovation of the Victoria Memorial Museum Building will address health and safety, seismic and key infrastructure upgrades that ensure the preservation of this venerable, historic building for future generations. Construction is now well underway, with completion of the West Wing on target for October 2006.

In addition to the complications inherent in heritage restoration, the Victoria Memorial Museum Building Renewal Project has been subject to extraordinary, systemic increases in labour and material costs resulting from high demand and global shortages.

As a result of these and other factors largely beyond the control of the project team, the Victoria Memorial Museum Building Renewal Project was at risk of running out of approved funding. Despite the successful efforts of the project team to cut costs and maintain approved project scope, extraordinary increases in building material costs (especially steel and concrete, which rose 80 percent), unforeseen site and building conditions, and higher than anticipated tender and risk premiums have consumed all approved contingency funds.

The Museum therefore worked with the Government of Canada to create a range of options to deal with this issue and as a result, agreement was reached to submit a request for additional funding to complete the project within its original scope. In November 2005, the Government of Canada agreed to provide an additional \$48.3 million. (For more details on the construction scope, see Appendix B.)

d) Corporate governance and management improvements

Over the past year, the Museum Board of Trustees and management have worked to strengthen the existing corporate governance framework for the institution. Following the new procedures announced by the Government of Canada with respect to appointments, a Nominating Committee was established and has made recommendations to fill five positions. Of the five, three remain vacant and formal response to our recommendations has not yet been received. The Board has also reviewed the terms of reference for all of its key committees and has instituted an assessment process for Board operations and its members. Museum Trustees and management have participated actively in action plans emanating from the Government of Canada review of Corporate Governance for Crown Corporations.

The Museum consolidated its strategic planning for the new vision, the Corporate Plan and the annual Operating Plan within a five-year planning framework. The framework defines critical objectives, priorities and performance measures over this five-year period and integrates business-planning processes to establish key deliverables and allocate resources. A centralized review process is now used to assess business cases and set annual operating plans within this multi-year framework.

A five-year, internal audit programme for the Museum was developed in 2002-03. The choice of audits was guided by an assessment of emerging and perceived risks. As a result, the Victoria Memorial Museum Building Renewal Project is audited on an annual basis. For 2005-06, an audit of the Museum Human Resources framework is underway. In addition, the Museum has decided to establish an enterprise risk management approach to its operations and strategies.

Work began on a comprehensive Succession Management Plan for key positions at the Museum. Key positions from a succession planning perspective have been identified and a specific HR plan developed to address the issues.

Corporate policies for the Museum also continued to be evaluated and updated. During this period, policies relating to Competitive Bids and Parking were updated.

The Museum's Information Technology and Information Management functions focussed on the development of a new major IT Outsourcing Agreement and an integrated IT infrastructure for the renewed Victoria Memorial Museum Building that meets corporate and public programming needs. The Victoria Memorial Museum Building IT infrastructure will, for the first time, integrate Exhibitions and Programming technology with the Museum's overall technology infrastructure. It will also integrate other building functions, such as Security, which have previously been completely independent systems. These efforts will be fully implemented over the next year and will entail other major changes to capabilities, work processes and responsibilities.

The Museum also completed a comprehensive plan to achieve compliancy with the government's Operational Standard for the Management of Information Technology Security (MITS). The plan was required by and submitted to Treasury Board in August 2005 and includes some major commitments by the Museum such as the completion of an IT Security Policy and a major IT Threat and Risk Assessment. Other IT/IM achievements include completion of a wireless pilot project, a major IT equipment refresh and continued progress in the development of a Corporate Intranet and videoconferencing capability.

In response to the Market Research Audit conducted in 2004-05, a macro-environmental analysis was planned and completed with demographic, social and economic data on the Canadian population, and a study on target audiences is underway. Telephone interviews were conducted with representatives from ANHMC member museums and more are planned for the third quarter of 2005. The results will be presented to the ANHMC Board members at their October meeting and, combined with other study results, will lead to the development of a new positioning strategy for the Museum.

STRATEGIES FOR 2006-07

The Museum will concentrate its efforts on renovation of the Victoria Memorial Museum Building. All discretionary resources will be directed to the development of a credible re-opening of the West Wing in Fall 2006...

Renovation of the Victoria Memorial Museum Building will consume the time and attention of management and staff. To demonstrate the value of the capital investments to date, to retain market share and to improve revenues during the renovation project, the Museum will open the renovated West Wing in Fall 2006, with a new Fossil Gallery and public education projects, renovated Bird and Mammal galleries, and interpretive spaces. To accomplish this, most of the discretionary funds will be directed to gallery development and public education programmes.

Fundraising and revenue generation will be critical...

Fundraising for the new galleries and public education projects is a key success factor to achieving the new vision. Priority over the coming year will be given to identifying and raising funds for the new national education projects that support the vision of the Museum, including the *Fossil* project, the *Nature of Humans* project, the new Discovery Centre and the *Water* project.

Consolidating the Museum's new national service role...

The Museum will continue to take an active role in the Alliance of Natural History Museums of Canada (ANHMC). Among key ANHMC initiatives is the ongoing development of a national Collections and Research strategy, which will include an inventory of member collections, practices and taxonomic expertise. The Alliance has a collective responsibility for over 13.7 million natural history specimens, representing the flora and fauna and geological record of Canada.

In May 2006, the Alliance will be presenting *Fatal Attraction*, an exhibition produced by CASTEx, a European consortium of natural history museums from Brussels (Belgium), Paris (France) and Leiden (the Netherlands). The exhibition will premiere in May 2006 at the Canadian Museum of Nature in Ottawa. Other opportunities for joint initiatives and partnerships with other agencies will be explored. In addition, the Alliance is working on a joint marketing and positioning strategy as a follow up to the market research work conducted in 2005.

The Museum is also working with the ANHMC to communicate and represent ANHMC priorities within the new Museums Policy being developed by Canadian Heritage.

Implementing more reductions in operations costs and seeking an improvement in the funding of facilities operating costs...

The Museum will continue to have significant pressures on its budget. In order to ensure the adequate development of the new Fossil Gallery and opening of the renovated West Wing in 2006, extraordinary measures have been taken to cap expenditures from salaries, operations and capital repairs for the next fiscal year. This approach is not sustainable in the long term. Maintenance will only be done for urgent and essential repairs (e.g., due to system failures) and a \$2.2 million annual shortfall in facilities operating funds will emerge as the renovated Victoria Memorial Museum Building comes on stream. The 2004 Treasury Board Secretariat benchmark review of real property costs noted that the Museum has the lowest cost-per-square-metre for facilities and security operations among similar national museums. The Long Term Capital Plan for the Museum highlights the growing gap between required maintenance and available funds.

The Museum will continue to work with the Government of Canada to find a solution to the situation and will work to avoid a further deterioration of the protection and preservation of its buildings. Unless additional funds can be identified shortly, the Museum will be faced with choices such as closing spaces or operating in a deficit situation.

Corporate Profile

The origin of the Canadian Museum of Nature was the Geological Survey of Canada (GSC), formed in 1842. The GSC became the National Museum of Canada in 1927. The National Museum of Natural Sciences was officially established through the *National Museums Act* in 1968. In 1990, the *Museums Act* established the Museum as an autonomous museum with an expanded mandate.

The Canadian Museum of Nature has an important purpose – to lead Canadians in the adventure of discovering and understanding the natural world, and ultimately in learning how to live in balance with it. That adventure takes Canadian scientists into unexplored corners of this country and the world, under the sea and into the earth.

The collections held and protected by the Museum – over 10 million specimens – are the fruit of over 150 years of painstaking exploration, observation and gathering. They form the heart of the Canadian Museum of Nature and a basis for its contribution to Canada. The collections make it possible to analyze and address a variety of emerging challenges to the natural heritage of Canada.

The scientific work of the Museum considers a large range of time and space, and covers an enormous spectrum – from examining the evolution of the earth and the life on it to understanding polar environments in order to predict the impact of environmental change. In addition to their research, Museum scientists make a difference by leading and contributing to a large number of local, national and international organizations focused on preserving the natural heritage, as well as to many universities and respected publications. Museum staff are working with colleagues to find effective methods to share freely collection-based scientific data in distributed networks in Canada and abroad.

The Museum is constantly changing and opening up new territory for Canadians to explore. Signature exhibitions at the Museum's public galleries in Ottawa are complemented by special exhibitions that focus on particular aspects of the natural world, lively and original programmes of nature interpretation, workshops, films, lectures and demonstrations. Travelling exhibitions reach across Canada and internationally. As well, Canadians discover and explore the natural world through the Museum's multimedia products including nature.ca, the Museum's popular Web site, videos, CD-ROMs and television programmes as well as print publications.

The Board of Trustees is the Museum's governing body, responsible to Parliament through the Minister of Canadian Heritage. The 11 members of the Board of Trustees are Governor-in-Council appointees from all regions of the country. Through accountability, strategic policy and planning frameworks, the Board provides corporate direction and delegates authority to the President for the management of the Museum.

The Museum employs 168 full-time staff for regular Museum operations and 18 employees dedicated to the renovation project of the Victoria Memorial Museum Building, and outsources services where it is most cost-effective. The Museum also benefits from the contribution of loyal and dedicated volunteers who assist in research, collections and educational programmes. The Museum occupies two buildings within the National Capital Region: the Victoria Memorial Museum Building in Ottawa for exhibitions and public education, and the Natural Heritage Building in Gatineau for collections, research, public education and administration.

Financial Resources

In 2006-07, the Museum will operate within a total budget of \$62,319,000, of which 53 percent is devoted to the renovation of the Victoria Memorial Museum Building. As illustrated in Figure 1, 95 percent of the revenue comes from government appropriation, while the remaining 5 percent is self-generated.

Figure 1: 2006-07 Resource Base

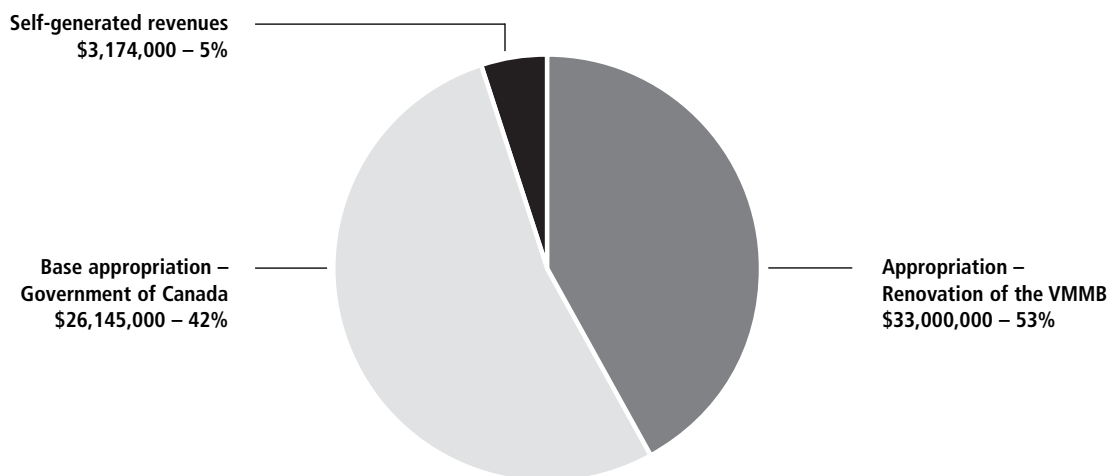


Figure 2: 2006-07 Infrastructure Costs (excluding appropriation for renovation of the Victoria Memorial Museum Building)

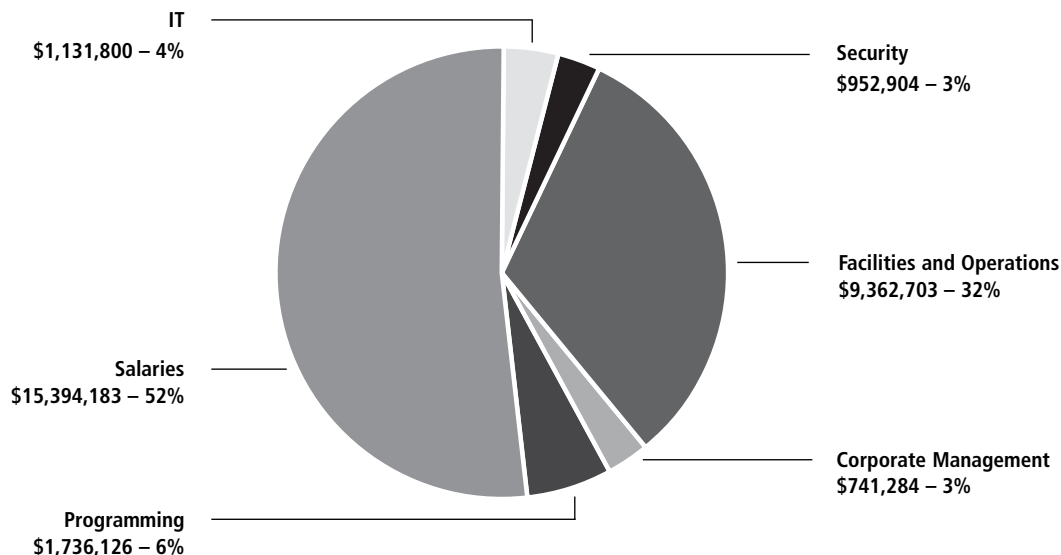


Figure 2 demonstrates the percentage of the Museum's budget allocated to corporate management, salaries and fixed or non-discretionary costs for facilities, security and information technology. When excluding appropriation for the building renovations, non-discretionary costs (fixed facilities, security and information technology costs) salaries and corporate management requirements (e.g., governance, reporting to Parliament, etc.) consume over 90 percent of the total self-generated revenue plus the Museum's base appropriation level. The Museum's total flexibility for programming is therefore minimal and relies heavily on successful fundraising. To achieve this, the Museum has had to effect, on an extraordinary basis, a significant cut in salaries and facilities operating costs to redirect the funds to programming in order to ensure a successful opening of the renovated West Wing of the Victoria Memorial Museum Building. These drastic reallocations are not sustainable in the long term.

External Environment

EXTERNAL BUSINESS FACTORS/ ISSUES

The local museum market is competitive, with four national museums investing resources to attract both local and tourist audiences. There is a significant overlap among the tourist visitor bases of all major museums in the area. The Museum's assets are its focus on nature, the scientific foundation of its exhibitions and programmes, and its capacity to provide interactive experiences and encounters with real specimens of plants, animals, minerals and fossils.

CUSTOMER EXPECTATIONS

A national survey was undertaken by the Museum in an effort to: 1) identify the subjects most likely to attract the interest of Canadians to the Museum and 2) determine the level of interest in two new initiatives – increased travelling exhibitions and increased Internet presence. Both initiatives were rated as generally good. The survey findings were integrated into public communications activities, and are being used to set some benchmarks in relation to Canadians' knowledge of and interest in natural history issues and familiarity with the Museum.

INTEREST IN THE ENVIRONMENT

Surveys suggest that the strongest connection respondents make to the Museum is environmental, and that Canadians want the Canadian Museum of Nature to be a source of substantive, credible information about pressing environmental issues. Information from the survey was a key contributor to the Museum's decision to select *environmental change* as the overarching issue and focus in the new strategic plan under the key themes of a) understanding the critical factors affecting change, b) understanding the human element and c) understanding the history of species and habitat distributions.

GENERATING REVENUE

The *Natural Partnerships* Campaign to raise \$10 million will create new opportunities for the Museum. Funds raised from generous donors and sponsors will provide critical support to the Museum's Renewal initiative through innovative educational projects, the development of topical new permanent galleries, related educational programming and travelling exhibitions.

CANADIAN MUSEUM OF NATURE ON-LINE

The Museum is committed to investing in collections information and imaging, and to sharing this with others. The 3D Centre is testing applications for museum imaging in collections documentation and preservation. It will also test new Web-based educational products. Partnerships in the Virtual Museum of Canada with Canadian Heritage Portfolio Agencies and data sharing with other museums are already in place; these will grow and change to suit the needs and response of the public. The Museum continues to make good progress in digitizing the national collections, with 560,970 records now electronically available out of a total of 2.6 million cataloguable records.

ENGAGING CANADIANS

The Canadian Museum of Nature plays a vital role in giving Canadians opportunities to learn more about each other, our vast country and its rich, diverse natural heritage. The Museum, through its research, collections and public education programmes, helps protect Canada's heritage and explains to Canadians the past, present and future of the natural world in a modern and interactive way. By encouraging Canadians to view Canada from the perspective of nature – which supersedes political boundaries – the Museum makes a significant contribution to the national policy objective of fostering a shared commitment to a strong and cohesive Canada.

Internal Analysis

CORPORATE RESOURCES

- ▶ The Canadian Museum of Nature is Canada's national repository for natural history collections. The Museum houses approximately 10 million specimens that are used by scientists across Canada and around the world in systematics research, ecological research and environmental monitoring. The Museum now has 560,970 collection records available electronically, with 30,000 on average being added annually.
- ▶ Research at the Museum focuses on socially relevant topics where the Museum's expertise in systematics – the comprehensive study of natural history of minerals, fossils, plants and animals – is applied by scientists and decision-makers in the conservation of biodiversity, planning for wise use of resources, and addressing public health issues.
- ▶ The employees and volunteers of the Canadian Museum of Nature are its most important asset and the primary factor in its overall ability to serve Canadians and to realize its mandate.
- ▶ Extensive and on-going national consultations with stakeholders have reinforced the important national role the Museum plays and can play within the scientific and museum communities and with the public at large. In order to develop a national positioning strategy for the Museum of Nature, a survey was conducted with fellow members of the Alliance of Natural History Museums of Canada to learn more about audiences, strengths, weaknesses and challenges, and expectations of the partnership. The study pointed out many common concerns and great opportunities.
- ▶ Surveys undertaken on behalf of the Museum show there is a clear gap between Canadians' perceived level of knowledge and their level of interest in natural history, which the Museum can help to bridge. The data from the survey suggest that the strongest connection respondents make to the Museum is environmental, and that Canadians want the Museum to be a source of substantive, credible information about pressing environmental issues. Priorities for programming activities with a focus on issues of relevance to Canadians have been established – the overarching issue is *environmental change*.
- ▶ The Museum has a well-defined plan to prepare and implement the new vision by 2008. The plan focuses on defining the Museum's national role in succinct and compelling terms.
- ▶ The Museum entered into a new revenue-sharing business arrangement and signed a new contract with Arius 3D, the supplier of scanning technology and related software for the Museum's 3D Centre. Arius 3D assumed responsibility for staffing and promotion for services based at the Natural Heritage Building while the Museum provides the facility.
- ▶ Continuing and new collaborations with other institutions increase the capacity for natural science research in Canada and contribute to ensuring the future of our natural environment.
- ▶ Conservation research in assessing risks to the preservation of collections is improving the Museum's efficiency in caring for collections by identifying areas of highest vulnerability. The Museum staff members are contracted annually to conduct risk assessment training for the Smithsonian and other major collections-holding institutions around the world. Clearly, this represents an area of unique expertise.
- ▶ The Museum's public programming fosters informed discussion about the environment among Canadians, particularly families with young children. Recent new programme initiatives have pointed to large potential interest among adult and youth audiences.
- ▶ The Museum's capacity and experience in fostering and maintaining networks is growing dramatically. This can be seen in both the Alliance of Natural History Museums of Canada and also in the business partnership with CineMuse. The CineMuse network has grown to 11 American and four Canadian members.

CHALLENGES

► CHRONIC FACILITIES UNDER-FUNDING

The Museum continues to suffer from chronic under-funding. A major vulnerability is the Museum's increasing struggle to operate, maintain and recapitalize two facilities: the Victoria Memorial Museum Building and the Natural Heritage Building. Despite concentrated efforts at revenue generation and cost reduction, there is a growing gap between the Museum's requirements and funding levels. This is due to insufficient funds being provided during the custody transfer process, lack of inflation protection for fixed costs and a decision to defer the approval of the additional \$2.2 million that will be required annually to operate the renovated Victoria Memorial Museum Building.

The funding shortfall was offset temporarily by special Programme Integrity funding from the Treasury Board Secretariat that allowed the Museum to cover building and real property management and maintenance cost increases for a period of time. This funding is no longer sufficient. The Long Term Capital Plan details the projected five-year \$13 million gap between reference levels and requirements. Without additional funding, the Museum will be forced to consider measures such as closing significant parts of the renovated Victoria Memorial Museum Building, going into a budget deficit situation and/or continuing to defer urgent and essential facilities maintenance. The Museum will continue therefore, to discuss ways to resolve the situation with the Government of Canada.

► RENEWAL PROJECT

The renovation of the Victoria Memorial Museum Building and the renewal of the exhibition galleries are significant aspects of the new vision to 2008 and the Museum's strengthened programme of national service. Construction is well underway. In addition to the complications inherent in heritage restoration, the Victoria Memorial Museum Building Renewal Project has been subject to extraordinary, systemic increases in labour and material costs resulting from high demand and global shortages, despite the successful efforts of the project team to cut costs and maintain approved project scope. The Museum identified a requirement for additional funding of \$51 million to complete the project, and has worked with the Government of Canada to create a range of options to deal with the issue. As a result, the Government of Canada approved, in November 2005, an additional \$48.3 million to complete the project.

► NEW VISION AND MODEL OF NATIONAL SERVICE FOR THE CANADIAN MUSEUM OF NATURE

Fiscal year 2006-07 will be the fourth year for implementing the new strategic vision. An intrinsic element of the new vision is the refit of the Victoria Memorial Museum Building, with new galleries and programming on natural history issues relevant to Canadians. A new model of national service also places greater emphasis on networks, partnerships and joint ventures with other national museums and museums across Canada, and with other institutions in the public and private sectors. These partnerships will assist in addressing the challenge of providing on-line access, information, and educational programmes and products to more Canadians. The ultimate goal is to increase the Museum's and partners' ability to address environmental issues of concern to Canadians and to engage audiences in all regions of the country.

► NATIONAL LEADERSHIP IN SYSTEMATICS RESEARCH

Since its inception, the Museum has had a collections-based research programme in systematics – the science of identifying, naming, classifying and tracing the origins of living creatures and minerals. This work underpins the value of the natural history collections for Canada. A prime concern of Canadians is our changing environment. The Museum’s research findings and irreplaceable scientific collections are invaluable in helping Canadians and decision makers understand *environmental change* and the human role in it. The opening of the 3D Centre has enabled the Museum to keep pace with rapidly growing demands for exact digital images. Associated maintenance and recapitalization costs must be addressed, as funds to maintain this equipment were not provided.

► ON-LINE ACCESS TO INFORMATION RESOURCES

Increased access to electronic data permits greater use of the Museum’s collections and related information for research into environmental and public health issues, and for public education. While progress has been made, much remains to be done. Work is ongoing. Priority collections for upgrading and data input have been identified and staff is focused on these areas. The information needs and research questions of Canadians are guiding development of new on-line products and services. Partners have been contacted and negotiations are underway for joint efforts to conceive, develop and maintain up to date information resources and services.

To accommodate and make accessible information resources derived from national education projects, a Web “portal” is being developed for launch in 2006. The portal will organize and document various types of information resources such as videos, texts, animations to make them easier to find and use for specific audiences/users such as educators and life-long learners. Clearly, with additional resources, much more could be accomplished even more quickly.



OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES – 2005-06



Objective 1

To create and make accessible to the public relevant information about the environment and our place in it

The Museum's national educational projects will be recognized by client groups and peers as a key source of relevant information about the environment and our place in it. The Museum will be national in its collections scope – recognized both as coordinator of a national repository and as an international leader in the production and circulation of travelling exhibitions. The Museum will be recognized as a leader in the management and preservation of collections, and in the documentation processes and systems that make these collections relevant to the Museum's national partners. The Museum's research activities will be fully integrated with other functions, recognized by peers and the public, adding value to the national collection and providing service to the public. A range of research activities will address *environmental change*.

STRATEGIES

1. Create an accessible programme of national educational projects to encourage and foster formal and informal learning for Canadians.
2. Create an accessible programme of collections activities on issues that are relevant to Canadians.
3. Create an accessible programme of research activities on issues that are relevant to Canadians.

ACCOMPLISHMENTS *(April 1 – September 30, 2005)*

Below are some of the accomplishments under Objective 1 for the first half of the fiscal year 2005-06.

- ▶ Fossils preparation for the new Fossil Gallery is 85 percent complete. The fleshed out dinosaurs (Brontothere and Dinictus) were completed, and specifications for eight Enhanced Learning stations were finalized. Work continued on the 10 gallery video presentations. Preliminary design for the refurbished Mammal Gallery was also completed.
- ▶ *Ice Age Mammals* opened to acclaim in June. The project includes a travelling exhibition and related programming. It will move to the Montreal Science Centre in April 2006.
- ▶ *The Gece! in Genome* exhibition finished its run in Montreal and opened successfully at La Baie, Quebec, and in Saint John, New Brunswick. Visitors to the exhibition now exceed half a million and, in response to high demand, six additional suitcase exhibits for Genome Canada are in production. Host venues and regional partners use the suitcases to promote the show and as an outreach tool for schools, conferences and special events.
- ▶ There were over 2.6 million visits to the Museum's Web site, nature.ca, a 31 percent increase over the same period last year. The Web team began development of a portal to organize and present materials from national educational projects. The portal will be launched in October 2006 and will feature Fossil Gallery content.
- ▶ Significant changes were made to the Nature Workshops Programme with four new Nature Workshops developed for the current school year. A new self-guided activity was developed for school groups to complement their participation in Nature Workshops.
- ▶ An agreement with Encounters with Canada was renewed, giving Museum educators access to several hundred high school students from across Canada. Students participated in Museum programmes, and in focus groups and surveys to assist the Museum in programme development.

- ▶ The Museum initiated a proposal to access the Advanced Broadband Enabled Learning programme (ABEL), a leading initiative in Canada that supports the use of videoconferencing as well as other digital technologies, to enhance pedagogical objectives in K-12 classrooms. By joining the ABEL programme, the Museum will have access to its professional development programme, network of schools, and technical support and expertise for educational videoconferencing.
- ▶ The Museum continued to play an international leadership role in museum collection risk analysis. Risk Assessment Workshops were given to the Yale Peabody Museum and at a 10-day Conservation Workshop held in Rome under the aegis of the Canadian Conservation Institute and the International Centre for Conservation.
- ▶ The Museum entered into a new revenue-sharing business arrangement and signed a new contract with Arius 3D, the supplier of scanning technology and related software for the Museum's 3D Centre. Arius 3D assumed responsibility for staffing and promotion for services based at the Natural Heritage Building while the Canadian Museum of Nature provides the facility.
- ▶ The Museum's researchers were in the field this past summer across Canada, recovering fossils and minerals to reconstruct past species and their environments. A course was delivered on plant identification at the Nunavut Research Institute as well as field work in Iqualuit on Baffin Island. Science experts continued to participate in multidisciplinary research efforts in Canada's North in the Canadian Arctic Shelf Exchange Study (CASES) initiative led by Laval University, as well as other monitoring activities.

PERFORMANCE MEASURES

Educational Programmes developed should have a minimum of 75 percent of the 15 established attributes (e.g., national in scope, realized in partnership). (*strategy 1*) Increase the annual number of unique Web site visits to 3.85 million by the end of 2009-10. (*strategy 1*) Have 699,000 collection records (equal to 22 percent of total collection units that can be catalogued) accessible electronically by 2009-10, with an average of 30,000 records entered annually. (*strategy 2*) Increase the usefulness of the Museum's collections by processing a minimum of 10,000 transactions annually by 2009-10. (*strategy 2*) Produce a minimum of 32 refereed publications annually on issues of relevance to Canadians. (*strategy 3*)

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

There were 2,647,567 unique Web site visits. There were 4,593 new records created electronically. There were 4,229 transactions using the Museum's collections. Staff produced 38 referred publications

Objective 2

To contribute to building the capacity of Canadian natural history museums and other heritage agencies to respond efficiently and effectively to natural history issues of relevance to Canadians

The Alliance of Natural History Museums of Canada (ANHMC) will have membership from all regions of Canada and will communicate regularly. The museum community will recognize the ANHMC as a focal point for natural history issues and the Alliance will review a national collection strategy. The Museum will be contacted regularly as a leader in best practices for collection development, management and conservation. The Federal Biodiversity Information Partnership (FBIP) will be an established federal focal point for biodiversity information and the main coordination mechanism between federal and provincial/territorial departments, agencies and related organizations on this issue.

STRATEGIES

1. Develop and implement national strategies in collaboration with the Alliance of Natural History Museums of Canada.
2. Engage in joint efforts with other federal partners to create and make information resources accessible to diverse Canadian audiences, using innovative approaches, best practices, new processes and techniques.

ACCOMPLISHMENTS *(April 1 – September 30, 2005)*

Below are some of the accomplishments under Objective 2 for the first half of the fiscal year 2005-06.

- ▶ The Canadian Museum of Nature continued to play a lead role in the Alliance of Natural History Museums of Canada (ANHMC). The ANHMC will present a travelling exhibition in North America about animal courtship, entitled *Fatal Attraction*. The Museum will manage the exhibition, which was co-produced by three members of CASTEx, a European natural history and science museum network.
- ▶ In order to develop a national positioning strategy for the Canadian Museum of Nature, a survey was conducted with the Alliance members to learn more about their audiences, their strengths, weaknesses and challenges, and their expectations of this partnership.
- ▶ The Museum developed the *Ice Age Mammals* project in collaboration with the Montreal Science Centre and fellow ANHMC members Yukon Beringia Interpretive Centre and Royal Tyrrell Museum of Palaeontology.
- ▶ In conjunction with other members of the Alliance, the Canadian Museum of Nature supported the national launch in October 2005 of the series “Miracle Planet” produced by the National Film Board.
- ▶ The ANHMC organized meetings in Ottawa October 27-29, providing members with unique networking opportunities with Ministers, MPs and Senators, as well as with the heads of government departments, professional associations and heritage organizations.
- ▶ A monthly ANHMC Newsletter was started in July to improve communication among the Board, Committees and all members by reporting on new developments, Alliance activities and projects, Alliance committees, and Members’ activities and programs.
- ▶ The Alliance responded to a call for proposals from the Assistant Deputy Minister’s Committee for Science and Technology for an assessment of Canada’s capacity in biodiversity sciences.
- ▶ The Museum contributed as a member of the Canadian Museum Association’s Conference Committee for 2006 in Saint John, NB. As well, two sessions (a plenary and follow-up session) have been approved that will enable two natural history networks to discuss their roles and plans. Plans are also underway to organize a reception for ANHMC members at the Saint John conference, the third since the network was founded.
- ▶ The Museum participated in the hiring of a new Coordinator for the FBIP. As Chair of the Management Board of the FBIP, the Museum represented Canada at the 10th Governing Board meeting of the Global Biodiversity Information Facility.

PERFORMANCE MEASURES

Undertake two projects/activities with the ANHMC addressing issues of relevance to Canadians in 2005-06. *(strategy 1)* Increase collaboration with the ANHMC. *(strategy 1)* Increase participation in the Canadian Museum Association (CMA) and the Canadian Association of Science Centres (CASC) through presentations, participation in special interest groups, organizing committees, etc. *(strategy 2)*

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

Meetings were held in Ottawa to further the ANHMC communications strategies and included networking with key stakeholder groups. Three newsletters were produced and distributed over the summer and in September. A pilot project was initiated with six Alliance members to present the high-definition film “Miracle Planet” in October, produced by the National Film Board. A proposal, which advocates that the biodiversity sciences be accepted as the focus of one of five assessments to be undertaken by the Canadian Academies of Science, was submitted on behalf of the Alliance. Board and Committee Members spent an estimated 1,414 hours on ANHMC activities and projects during the first six months of the year, of which the Museum staff time totaled 584 hours.

The Museum staff attending the Annual conference of the CMA represented 43 person-days, 4 presentations were made on various topics and staff participated in committees and special interest groups of the CMA to a level of 24 person-days. The Museum staff attended the annual conference of the CASC, representing 24 person-days, 2 presentations were made on various topics and staff participated in committees and special interest groups of the CASC to a level of 13 person-days.

Objective 3

To provide vehicles to encourage public engagement in natural history issues and to contribute to informed public policy on those issues

The Museum will be regarded as a “Best Practices Leader” in the practice of engaging its key audiences through its exhibitions, public programming and the Web. The Museum will be recognized as a valued contributor in the development of public and government policies, which will reflect the Museum’s input.

STRATEGIES

1. Create national forums to discuss, debate and share information on relevant environmental issues of concern to Canadians.
2. Develop and implement formal mechanisms to inform public policy on natural history issues.

ACCOMPLISHMENTS *(April 1 – September 30, 2005)*

Below are some of the accomplishments under Objective 3 for the first half of the fiscal year 2005-06.

- ▶ A new Web site called Native Plant Crossroads was launched at the end of May, as a component of **nature.ca**. The Web site is a product of a three-year initiative of the Canadian Centre for Biodiversity, entitled “Best Stewardship Practices at the Community Level: Enhancing Native Plant Biodiversity,” and is funded by the Salamander Foundation.
- ▶ Two forums were held at the Museum on the role of the media in the public’s understanding of science, in collaboration with the Canadian Association of Science Writers.
- ▶ The Museum is helping the Canadian Committee for the International Union for the Conservation of Nature (IUCN) put together an initiative in support of the Biodiversity 2010 Challenge “to significantly reduce the rate of biodiversity loss by 2010” in order to raise public awareness and stimulate voluntary action among all sectors.
- ▶ In collaboration with the Biosphère of Environment Canada, the Museum’s Canadian Centre for Biodiversity is planning a workshop on “Sustainable Communities: a Crucible for Environmental Education” to be delivered at the 2005 conference of the Canadian Network for Environmental Education and Communication.

- ▶ The Museum is taking an active role in developing Canada's participation in the United Nations Decade on Education for Sustainable Development: 2005-2014.
- ▶ The Canadian Museum of Nature will co-host the Canadian Association of Science Centres' Conference in Ottawa in May 2006 with the Canada Science and Technology Museum. All parties are actively involved in planning for this national event.
- ▶ The 2004 Museums and Schools Partnership Award – developed by the Canadian Museum of Nature and the Canadian College of Teachers in collaboration with the Canadian Museums Association (CMA) – was presented at the CMA annual conference in Saskatoon to the Museum Project, a partnership between Grande Centre High School of Cold Lake, Alberta and the Cold Lake Museum Society, with support from the Imperial Oil Resources Business-Education Partnership.

PERFORMANCE MEASURES

Develop five new forums during 2005-06. (*strategy 1*) The Museum is present in 20 national and international associations and organizations related to environmental change by end of 2005-06. (*strategy 2*) The Museum is a proponent in two options on public policy being presented to the Federal Government in 2005-06. (*strategy 2*)

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

The Museum continued to test forum models using *The Geece! in Genome* exhibition's Canadian tour. Forums have been held in Montreal, and La Baie in Quebec and new forums are being planned as the exhibition opens in Halifax in January 2006. The Museum Staff were involved in 18 national and international associations and organizations related to environmental change, which represented approximately 663 hours. The Museum is helping the Canadian Committee for IUCN put together an initiative in support of the Biodiversity 2010 Challenge. The Museum is taking an active role in developing Canada's participation in the United Nations Decade on Education for Sustainable Development: 2005-2014. The Museum contributed to the Portfolio analysis by the Department of Canadian Heritage and dialogue on the Federal Museum Policy.

Objective 4

To develop the Museum's internal capacity to work in integrated, collaborative approaches

An HR framework and the necessary HR tools will be in place to support the Museum's business strategy. A majority of projects will be undertaken with partners. The Museum will provide a supportive working environment with opportunities for innovation and growth.

STRATEGIES

1. Through the application of the competency-based process, improve the ability of Museum staff to work in integrated approaches such as partnerships, networks and multi-disciplinary teams.
2. Apply the partnership framework to assess current partnerships and to modify partnership arrangements as required.

ACCOMPLISHMENTS (April 1 – September 30, 2005)

Below are some of the accomplishments under Objective 4 for the first half of the fiscal year 2005-06.

- ▶ HR has integrated Core Competencies into the Performance Management, Training and Development, and Staffing processes. Next steps will include the development of Leadership Competencies in the context of the Succession Planning exercise.

- ▶ A cross-functional team was created to plan and implement all the Victoria Memorial Museum Building staff training that will be required in the context of the Renewal Project and in anticipation of the opening of the West Wing in October 2006.
- ▶ As expected, the number of volunteers remained low due to restrictions resulting from the Victoria Memorial Museum Building renovations (programming changes or changes in staff time commitments). All the School Programme volunteers participated in significant training during September in order to prepare them for new programmes they will be delivering beginning in October 2005.
- ▶ The Museum is presently evaluating its partnering framework. Several different partnership models are used by the Museum, ranging from joint development of projects and programming to contributions and co-hosting of specific events.

PERFORMANCE MEASURES

Offer annually 4 days of professional development per employee to align competencies to the new vision. (*strategy 1*) Increase the value of new partnerships undertaken by addressing an average of 75 percent of the 11 established partnership evaluation criteria (e.g., scope of partners: national, regional, local; impact of joint project or activity) by 2009-10. (*strategy 2*)

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

Staff undertook professional development at the rate of 2.31 days per employee. There were no partnership agreements that had reached the first year anniversary of signature, therefore no agreements were assessed.

Objective 5

To ensure that the Victoria Memorial Museum Building Renewal Project furthers the vision

The Victoria Memorial Museum Building will remain open to the public as much as possible throughout the project and will be recognized for its exemplary safety record during the renovation. The contribution of the renovated Victoria Memorial Museum Building will be clearly visible to visitors, the museum community, staff and the Museum's local geographic community. The Museum will develop a post-Renewal programme plan, utilizing its renovated facility to support leading-edge enhancements to Museum programming.

STRATEGIES

1. Implement the rehabilitation of the Victoria Memorial Museum Building infrastructure requirements, design and construction.
2. Ensure the Renewal Project is implemented according to the principles of the new vision.
3. Maintain a base level of programming and visitor services at the Victoria Memorial Museum Building during the Renewal Project to ensure that the Museum and the Victoria Memorial Museum Building remain visible and that the local audience is retained.

ACCOMPLISHMENTS (April 1 – September 30, 2005)

Below are some of the accomplishments under Objective 5 for the first half of the fiscal year 2005-06.

- ▶ Construction is approximately 23 percent complete. Phase 1 was completed. Renovation of the West Wing and lantern sub-basement (Phase 2) is on track, as is construction of the underground South Wing (Phase 3). To date, 87 percent of the current construction cost has been tendered at a value of \$86 million.

- ▶ The Renewal Project has been closely integrated with ongoing Museum operations and with the Museum's vision. Regular reports are provided to the Management Committee on the project. In keeping with the priority placed on the opening of the West Wing, the Museum created an integrated plan and framework that consolidates the construction activities and Museum operations that are essential for a successful opening of the renovated West Wing in Fall 2006.
- ▶ As part of the larger *Fossil* national education project the Museum opened a new exhibition called *Ice Age Mammals* in June 2005, which will be featured at the Victoria Memorial Museum Building until March 2006. It will be followed by a larger show, *Fatal Attraction*, until September 2006. A variety of small community-based exhibitions, such as *Ikebana* and *Nation of Harmony*, were produced at appropriate periods through the year.
- ▶ Educational programmes continued at the Victoria Memorial Museum Building as the renovation project evolved. Limited access to exhibitions was balanced with an expanded schedule of interpretive activities on every floor of the building, including activities about the history of the building and the renovation project itself.
- ▶ Three new on-going interpretation stations in the Museum were fully staffed seven days a week, providing visitors with interpretation on every floor of the building.

PERFORMANCE MEASURES

Phase 1 and Phase 2 of project completed by end of 2006-07. Phase 3 completed by end of 2006 and Phases 4 and 5 completed by Spring 2009. (*strategies 1, 2*) Maintain an attendance level that takes into account the impact of the Victoria Memorial Museum Building construction and renovations on visitors (Forecast 2005-06: 155,000 visitors). (*strategy 3*) Reach and maintain a market share of 15 percent of visitors to national museums in the National Capital Region by the end of 2009-10. (*strategy 3*)

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

Phase 1 was completed. The September 2005 Monthly Project Report noted a substantial completion date for Phase 3 of June 2006 and for Phase 2 of August 2006. At this time the Museum Exhibition and Facilities Management Services staff are working closely with PCL to complete the work necessary to achieve the scheduled October 2006 opening. There were 86,013 visits to the Victoria Memorial Museum Building and 512 visits to the Natural Heritage Building (see Figure 3). Average market share was 4.3 percent.

Figure 3: audience reach

(number of visitors)

	2004-05 Actual	2005-06 Forecast	2005-06 Actual (2005/09/30)
VMMB visitors	189,467	155,000	86,013
VMMB after hours	19,530	2,500	5,790
NCR outreach attendance	2,138	250	-
NHB visitors	825	1,100	512
National attendance	527,200	400,000	218,331
Web unique site visits	4,731,652	4,725,000	2,647,567
Multimedia (TV) (1)	137,500	-	-

(1) *Multimedia is the estimated number of Canadians reached through cable and commercial broadcasts of CMN produced and co-produced programs. However, for the last two years, the Broadcast and Multimedia unit has been redirecting its efforts to other corporate priorities and does not anticipate any new numbers for multimedia audience over the medium term.*

Objective 6

To maintain and improve an effective and efficient infrastructure of systems and facilities

The long-term goal is for the Museum to have operations and maintenance programmes in place for its buildings that sustain these assets throughout their planned life and meet accepted best practices for museums. The Museum will meet or exceed best practices for the following: space management, parking, audio-visual, and other related technical facilities services. Annual planning will be fully integrated and a natural extension of the multi-year planning cycle. A 50 percent reduction in planning time from 2004-05 levels will be achieved. The Museum will have an effective and efficient infrastructure of IT Systems and Services. The Museum will have a series of financial management services and a series of human resources activities that support its operational and business plans. The Museum will have an integrated market research programme and process.

STRATEGIES

1. Administer real property effectively and efficiently.
2. Develop, adapt and streamline management and planning processes to support the Museum's vision.
3. Maintain and improve Museum Information Management systems and services.

ACCOMPLISHMENTS *(April 1 – September 30, 2005)*

Below are some of the accomplishments under Objective 6 for the first half of the fiscal year 2005-06.

- ▶ Maintenance and Operation of the Victoria Memorial Museum Building and the Natural Heritage Building: bi-weekly coordinating and financial review meetings with PWGSC were held for financial tracking and work-related purposes. Operational requirements were managed on an urgent basis due to budget constraints.
- ▶ Health and Safety incidents remained at low levels in spite of the complexities associated with the Victoria Memorial Museum Building as a construction site. Workplace Health and Safety Committee Chairs established a schedule for joint reporting and review of policies and procedures common to both the Natural Heritage Building and the Victoria Memorial Museum Building sites.
- ▶ The Museum consolidated its strategic planning for the new vision, the Corporate Plan and the annual Operating Plan within a five-year planning framework. The framework defined critical objectives, priorities and performance measures over this five-year period and integrated business planning processes to establish key deliverables and allocate resources. A centralized review process was used to assess business cases and set annual operating plans within this multi-year framework. The Museum decided to strengthen its risk management practices and is establishing an “enterprise” risk management approach to its operations and strategies.
- ▶ A comprehensive Succession Management Plan was established for key positions at the Museum. Work also began to review the terms and conditions and classification standard for the management group at the Museum.
- ▶ The focus of the Museum's Information Technology and Information Management functions were the development of a new major IT Outsourcing Agreement and of an integrated IT infrastructure for the renewed Victoria Memorial Museum Building that meets corporate and public programming needs. The Museum also completed a comprehensive plan to achieve compliancy with the government's Operational Standard for the Management of Information Technology Security (MITS). Other IT/IM achievements included completion of a wireless pilot project, a major IT equipment refresh and continued progress in the development of a Corporate Intranet and videoconferencing capability.

PERFORMANCE MEASURES

Maintain, operate and repair both facilities under the Museum custody at a level meeting or exceeding the recognized and accepted industry level for museums. (*strategy 1*) Achieve a 50 percent reduction in time spent on planning by end of 2009-10. (*strategy 2*) In 2005-06, achieve \$4.52 cost per user (when including Web users) and \$14.19 cost per user (when excluding Web users). (*strategy 2*) Maintenance and upgrading of Museum information management systems and services are monitored through performance measures specific to each system and service within individual work units. (*strategy 3*)

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

Costs of building operations per gross square metre for the Natural Heritage Building were lower than 4 other archival-type facilities located in the United States and the United Kingdom and other same size facilities located in Canada, the United States, New Zealand and the United Kingdom. (The Victoria Memorial Museum Building was not included in this benchmark exercise because of the effect of the Renewal project.) The Museum staff spent 181 days on activities related to operational planning and 30 days on strategic planning activities. Cost per user was \$3.82 (including Web users) and \$17.34 (excluding Web users). All service standards and metrics established to monitor systems performance have met or exceeded the standard except for problem resolution, which performed below the desired level. The standard was missed by less than 1.0 percent.

Figure 4: Real property costs per gross square metre

Cost/square metre (US\$)	CMN/NHB	Average for Archival facilities (2005)	Average for Archival facilities (2004)	Average for Archival facilities (2003)	Same-size Facilities (2005)
Average cost	81.54	123.72	95.16	54.66	164.82

Objective 7

To increase the Museum's self-generated revenue

The *Natural Partnerships* Campaign goals will be achieved. Plans will be developed for full integration of the campaign into an on-going fundraising and development programme. The Museum will have a budget for its fixed infrastructure costs that allows for prudent investment and well-managed implementation of its Long Term Capital Plan and maintenance of infrastructure.

STRATEGIES

1. Build a strong philanthropic base of support for the Museum by identifying and securing private and public sponsorships, partnerships, alliances and donations.
2. Develop and implement strategies to generate revenue across all relevant business lines of the Museum.
3. Seek funding solutions from the Government of Canada for facilities operations and capital expenses.

ACCOMPLISHMENTS *(April 1 – September 30, 2005)*

Below are some of the accomplishments under Objective 7 for the first half of the fiscal year 2005-06.

- ▶ A \$2 million contribution was made to the *Natural Partnerships* Campaign for a title sponsor for the Fossil Gallery. Cumulative pledges from the start of the Campaign to the end of September 2005 totaled \$6.7 million, which represents 67 percent of the overall goal of \$10 million.
- ▶ Although Museum membership revenue was down from last year, this year's forecast was exceeded by 83 percent, generating \$22,000. Decreases were expected due to the renovation project and the implementation of admission by donation. A new membership strategy is being developed to coincide with the West Wing opening in Fall 2006.
- ▶ The Centre for Collection Management and Conservation Research continued to attract contributions from donors and partners and charged fees for services, including a commitment of \$40,000 from CCI to support work on risk assessment.
- ▶ The Museum initiated a relationship with the Singapore Science Centre regarding *The Gee! in Genome* intellectual property, which resulted in revenue of US\$42,000.

PERFORMANCE MEASURES

Achieve targets for fundraising as set out in Figure 5. *(strategy 1)* Achieve a level of self-generated revenue as set out in Figure 5. *(strategy 2)* Achieve \$5.63 per visitor gross sales income by 2009-10 *(strategy 2)*

ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 – September 30, 2005)

Per visitor gross sales income was \$3.64

Figure 5: Self-generated revenue

(in dollars)

	2004-05 Actual	2005-06 Forecast	2005-06 Actual (2005/09/30)
Revenue-Generating Activities (1)	1,936,000	1,107,000	906,000
Fundraising (2)	653,000	2,138,000	567,000

(1) *The decrease in the forecast for revenue-generating activities for 2005-06 over actual results for 2004-05 is due to a 50 percent reduction in admission fees as the Victoria Memorial Museum Building undergoes extensive renovations and a temporary reduction in services to the public.*

(2) *Fundraising figures in the table represent donation funds spent and recognized as revenue in a given fiscal year.*



OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES FOR 2006-07 TO 2010-11



In order to fulfill its mandate and provide maximum public value, the Museum develops and fulfills specific objectives and strategies and measures its success according to defined performance standards. The new Museum vision and strategic plan for 2003-2008 place particular emphasis on establishing the Museum's presence as a national institution; this presence is to be built from the solid foundation of the Museum's principal bases of operations – the Victoria Memorial Museum Building and the Natural Heritage Building.

The Museum is applying a centralized review process to assess business cases and to set annual operating plans in the context of a multi-year framework. The process will ensure that the Museum has secured the experience, infrastructure and resources necessary to fulfill the vision for the Museum in 2008. Some activities and projects will be wound down. Others will be adapted to address more precisely the strategic priorities and the natural history issues identified as relevant to Canadians, especially *environmental change* – the priority issue and focus of the new strategic plan. Key priorities for action for 2006-07 are as follows:

- ▶ West Wing Grand Opening: Opening the entire west side of the Victoria Memorial Museum Building in October 2006 with major visibility and impact is a crucial priority for the Museum.
- ▶ National Service: The Museum will take further steps to develop the new model of national service as a national museum, by maintaining/sustaining current levels of participation in the associations and groups with which the Museum has worked hard to build current levels of positive relationships.
- ▶ Keep the Victoria Memorial Museum Building open to visitors and clients through a credible suite of products, programmes and services while the Renewal project is underway.
- ▶ Maximize revenue: Continue with *Natural Partnerships* Campaign and develop strategies for revenue generation and commercial operations, and for increasing Government of Canada appropriations/contingencies.
- ▶ Victoria Memorial Museum Building Renewal Project: Keep renovation of the Victoria Memorial Museum Building on track.

The strategic plan includes seven objectives: five related to core tasks and two related to corporate services. As an ongoing management practice, and using the established Performance Measurement Framework, the Museum evaluates and adjusts strategies to ensure the continued relevance and effectiveness of programmes, services and activities.

Objective 1

To create and make accessible to the public relevant information about the environment and our place in it

The Museum's national educational projects will be recognized by client groups and peers as a key source of relevant information about the environment and our place in it. The Museum will be national in its collections scope – recognized both as coordinator of a national repository and as an international leader in the production and circulation of travelling exhibitions. The Museum will be recognized as a leader in the management and preservation of collections, and in the documentation processes and systems that make these collections relevant to the Museum national partners. The Museum research activities will be fully integrated with other functions, recognized by peers and the public, adding value to the national collection and providing service to the public. A range of research activities will address *environmental change*.

STRATEGIES

1. Create an accessible programme of national educational projects to encourage and foster formal and informal learning for Canadians.
2. Create an accessible programme of collections activities on issues that are relevant to Canadians.
3. Create an accessible programme of research activities on issues that are relevant to Canadians.

PERFORMANCE MEASURES

Educational Programmes developed should have a minimum of 75 percent of the 15 established attributes (e.g., national in scope, realized in partnership). *(strategy 1)* Increase the annual number of unique Web site visits to 6.03 million by the end of 2010-11. *(strategy 1)* Have 729,000 collection records (equal to 27 percent of total collection units that can be catalogued) accessible electronically by 2010-11, with an average of 30,000 records entered annually. *(strategy 2)* Increase the usefulness of the Museum's collections by processing a minimum of 10,000 transactions annually by 2010-11. *(strategy 2)* Produce a minimum of 32 refereed publications annually on issues of relevance to Canadians. *(strategy 3)*

Objective 2

To contribute to building the capacity of Canadian natural history museums and other heritage agencies to respond efficiently and effectively to natural history issues of relevance to Canadians

The Alliance of Natural History Museums of Canada (ANHMC) will have membership from all regions of Canada and will communicate regularly. The museum community will recognize the ANHMC as a focal point for natural history issues and the Alliance will review a national collection strategy. The Museum will be contacted regularly as a leader in best practices for collection development, management and conservation. The Federal Biodiversity Information Partnership (FBIP) will be an established federal focal point for biodiversity information and the main coordination mechanism between federal and provincial/territorial departments, agencies and related organizations on this issue.

STRATEGIES

1. Develop and implement national strategies in collaboration with the ANHMC.
2. Engage in joint efforts with other federal partners to create and make information resources accessible to diverse Canadian audiences, using innovative approaches, best practices, new processes and techniques.

PERFORMANCE MEASURES

Undertake 2 national projects and activities with the ANHMC in 2006-07 addressing issues of relevance to Canadians. *(strategy 1)* Increase collaboration with the ANHMC, which will be determined by capturing the time spent on activities. *(strategy 1)* Increase participation in the CMA and the CASC through presentations, participation in special interest groups, organizing committees, etc. *(strategy 2)* Maximize the number of products, publications and services created per year through partnerships with federal agencies and portfolio partners. *(strategy 2)*

Objective 3

To provide vehicles to encourage public engagement in natural history issues and to contribute to informed public policy on those issues

The Museum will be regarded as a “Best Practices Leader” in the practice of engaging its key audiences through its exhibitions, public programming and the Web. The Museum will be recognized as a valued contributor in the development of public, and government policies will reflect the Museum input.

STRATEGIES

1. Create national forums to discuss, debate and share information on relevant environmental issues of concern to Canadians.
2. Develop and implement formal mechanisms to inform public policy on natural history issues.

PERFORMANCE MEASURES

Develop two new forums during 2006-07. (*strategy 1*) The Museum is present in 20 national and international associations and organizations related to environmental change by end of 2006-07. (*strategy 2*) The Museum is a proponent in two proposals on public policy being presented to the Federal Government in 2006-07. (*strategy 2*)

Objective 4

To develop the Museum’s internal capacity to work in integrated, collaborative approaches

An HR framework and the necessary HR tools will be in place to support the Museum’s business strategy. A majority of projects will be undertaken with partners. The Museum will provide a supportive working environment with opportunities for innovation and growth.

STRATEGIES

1. Through the application of the competency-based process, improve the ability of Museum staff to work in integrated approaches such as partnerships, networks and multi-disciplinary teams.
2. Apply the partnership framework to assess current partnerships and to modify partnership arrangements as required.

PERFORMANCE MEASURES

Offer annually 4 days of professional development per employee to align competencies to the new vision. (*strategy 1*) Increase the value of new partnerships undertaken by addressing an average of 75 percent of the 11 established partnership evaluation criteria (e.g., scope of partners – national, regional, local; impact of joint project or activity) by 2010-11. (*strategy 2*)

Objective 5

To ensure that the Victoria Memorial Museum Building Renewal Project furthers the vision

The Victoria Memorial Museum Building will remain open to the public as much as possible throughout the project and will be recognized for its exemplary safety record during the renovation. The contribution of the renovated Victoria Memorial Museum Building will be clearly visible to visitors, the museum community, staff and the Museum's local geographic community. The Museum will develop a post-Renewal programme plan, utilizing its renovated facility to support leading-edge enhancements to Museum programming.

STRATEGIES

1. Implement the rehabilitation of the Victoria Memorial Museum Building infrastructure requirements, design and construction.
2. Ensure the Renewal Project is implemented according to the principles of the new vision.
3. Maintain a base level of programming and visitor services at the Victoria Memorial Museum Building during the Renewal Project to ensure that the Museum and the Victoria Memorial Museum Building remain visible and that the local audience is retained.

PERFORMANCE MEASURES

Phase 1 and Phase 2 of project to be completed by end of 2006-07. Phase 3 is completed by June 2006. Phases 4 and 5 are completed by Spring 2009. (*strategies 1, 2*) Maintain an attendance level that takes into account the impact of the Victoria Memorial Museum Building construction and renovations on visitors (estimated visitors annually – 2006-07: 195,000, 2007-08: 260,000, 2008-09: 260,000, 2009-10: 315,000, 2010-11: 400,000). (*strategy 3*) Reach and maintain a market share of 15 percent of visitors to national museums in the National Capital Region by the end of 2010-11. (*strategy 3*)

Objective 6

To maintain and improve an effective and efficient infrastructure of systems and facilities

The long-term goal is for the Museum to have operations and maintenance programmes in place for its buildings that sustain these assets throughout their planned life and meet accepted best practices for museums. The Museum will meet or exceed best practices for the following: space management, parking, audio-visual, and other related technical facilities services. Annual planning will be fully integrated and a natural extension of the multi-year planning cycle. A 50 percent reduction in planning time from 2004-05 levels will be achieved. The Museum will have an effective and efficient infrastructure of IT Systems and Services. The Museum will have a series of financial management services and a series of human resources activities that support its operational and business plans. The Museum will have an integrated market research programme and process.

STRATEGIES

1. Administer real property effectively and efficiently.
2. Develop, adapt and streamline management and planning processes and services to support the Museum's vision.
3. Maintain and improve Museum information management systems and services.

PERFORMANCE MEASURES

Maintain, operate and repair both facilities under Museum custody at a level meeting or exceeding the recognized and accepted industry standard for museums. *(strategy 1)* Achieve a 50 percent reduction in time spent on planning by end of 2010-11. *(strategy 2)* In 2006-07, achieve \$3.99 cost per user (when including Web users) and \$18.11 cost per user (when excluding Web users). *(strategy 2)* Maintenance and upgrading of Museum Information Management systems and services are monitored through performance measures specific to each system and service within individual work units. *(strategy 3)*

Objective 7

To increase the Museum's self-generated revenue

The *Natural Partnerships* Campaign goals will be achieved. Plans will be developed for full integration of the campaign into an on-going fundraising and development programme. The Museum will have a budget for its fixed infrastructure costs that allows for prudent investment and well-managed implementation of its Long Term Capital Plan and maintenance of infrastructure.

STRATEGIES

1. Build a strong philanthropic base of support for the Museum by identifying and securing private and public sponsorships, partnerships, alliances and donations.
2. Develop and implement strategies to generate revenue across all relevant business lines of the Museum.
3. Seek funding solutions from the Government of Canada for facilities operations and capital expenses.

PERFORMANCE MEASURES

Achieve targets for fundraising as set out in Figure 6. *(strategy 1)* Achieve a level of self-generated revenue as set out in Figure 6. *(strategy 2)* Achieve \$4.14 per visitor gross sales income by 2010-11. *(strategy 2)*

Figure 6: Self-generated revenue targets

(in dollars)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Generating Activities	1,299,000	1,477,000	1,487,000	1,971,000	1,911,000
Fundraising	1,875,000	1,779,000	4,535,000	4,529,000	629,000



FINANCIAL SUMMARY



Five-year Financial Plan

The Financial Plan represents the Corporation's forecast over the five-year planning period 2006-07 to 2010-11. Table 1 shows the forecast by activity based upon approved reference levels and revenue forecasts for the current year and the planning period.

NOTE: Table 1 is a budget summary that is prepared on a cash basis and therefore cannot be compared directly to the audited financial statements for 2004-05.

Table 1: Corporate Budget Summary by Activity

(in thousands of dollars – except for staff levels)

	2004-05 Actual	2005-06 Forecast	2006-07 Budget	2007-08 Budget	2008-09 Budget	2009-10 Budget	2010-11 Budget
Staff Levels	172	172	186	183	183	178	168
Public Education programmes	6,015	7,083	7,088	7,497	9,341	9,219	6,541
Collections management	1,795	1,752	1,752	1,752	1,752	1,752	1,752
Research	3,686	3,759	3,759	3,759	3,759	3,759	3,759
Corporate management	5,908	6,081	6,081	6,081	6,081	6,081	6,081
Accommodation *	46,811	40,388	43,639	68,381	43,303	15,503	10,703
Sub-total	64,215	59,063	62,319	87,470	64,236	36,314	28,836
Less revenues	(2,589)	(3,245)	(3,174)	(3,256)	(6,022)	(6,500)	(2,622)
Appropriations	61,626	55,818	59,145	84,214	58,214	29,814	26,214
* These figures include the Renovation of the VMMB	36,000	30,000	33,000	58,000	32,000	3,600	-

Annual Budget

2006-07 OPERATING AND CAPITAL BUDGET

The budgets have been formulated on the basis of the operating forecast and the programme activity architecture and services required in support of these activities. Table 2 summarises the operating and capital budget.

Table 2: Summary of Operating and Capital Budget

(in thousands of dollars)

	2004-05 Actual	2005-06 Approved	2005-06 Forecast	2006-07 Proposed
Operating	42,437	30,268	30,906	28,887
Capital	21,778	28,157	28,157	33,432
Less revenues	(2,589)	(2,856)	(3,245)	(3,174)
Appropriations	61,626	55,569	55,818	59,145

The variation in both appropriations and capital expenses from 2004-05 to 2005-06 and 2006-07 is due to the cash flow requirements of the Renovation Project as approved by the Treasury Board Secretariat.

Financial Statements

The financial statements forecasts have been prepared in accordance with Canadian generally accepted accounting principles consistent with those reported in the institution's annual report.

Statement 1 : Balance Sheet

(in thousands of dollars)

	2004-05 Results	2005-06 Forecast	2006-07 Pro forma	2007-08 Pro forma	2008-09 Pro forma	2009-10 Pro forma	2010-11 Pro forma
Assets							
Current							
Cash and short-term investments	40,195	5,907	5,572	4,397	4,888	5,418	5,985
Accounts receivable							
Trade	333	350	350	350	350	350	350
Government departments and agencies	1,203	700	700	700	700	700	700
Prepaid expenses	426	500	500	500	500	500	500
	42,157	7,457	7,122	5,947	6,438	6,968	7,535
Restricted cash, short-term investments and receivables	1,527	1,305	1,055	1,035	1,015	995	975
Collections	1	1	1	1	1	1	1
Capital assets	66,520	115,097	143,205	195,281	220,904	218,248	211,986
	110,205	123,860	151,383	202,264	228,358	226,212	220,497
Liabilities							
Current							
Accounts payable and accrued liabilities							
Trade	2,852	2,000	2,000	2,000	2,000	2,000	2,000
Government departments and agencies	13,488	2,000	2,000	2,000	2,000	2,000	2,000
Current portion - obligation under capital lease	267	294	325	359	396	437	482
Deferred revenue and parliamentary appropriation	23,357	50	50	50	50	50	50
Employee future benefits	263	298	333	368	403	438	473
	40,227	4,642	4,708	4,777	4,849	4,925	5,005
Obligation under capital lease	32,415	32,121	31,797	31,438	31,042	30,605	30,122
Deferred capital funding	39,521	89,324	118,736	171,011	197,882	196,190	190,958
Employee future benefits	1,828	1,865	1,902	1,940	1,979	2,018	2,059
Deferred contributions	1,200	950	700	680	660	640	620
	115,191	128,902	157,843	209,846	236,412	234,378	228,764
Endowment	305	305	305	305	305	305	305
Equity of Canada	(5,291)	(5,347)	(6,765)	(7,887)	(8,359)	(8,471)	(8,572)
	110,205	123,860	151,383	202,264	228,358	226,212	220,497

FINANCIAL SUMMARY

Statement 2: Statement of Operations & Equity of Canada

(in thousands of dollars)

	2004-05 Results	2005-06 Forecast	2006-07 Pro forma	2007-08 Pro forma	2008-09 Pro forma	2009-10 Pro forma	2010-11 Pro forma
Revenue							
Commercial operations	610	278	571	803	803	1,476	1,498
Contributions	653	2,138	1,875	1,779	4,535	4,530	629
Interest income	813	500	450	450	450	250	250
Educational programmes	256	175	128	72	80	90	90
Scientific services	36	22	24	24	25	25	25
Other	221	132	126	128	129	129	130
	2,589	3,245	3,174	3,256	6,022	6,500	2,622
Expenses							
Personnel costs	14,399	14,569	14,569	14,569	14,569	14,569	14,569
Interest on capital lease obligation	3,259	3,233	3,206	3,175	3,141	3,104	3,063
Operation and maintenance of buildings	2,728	3,956	4,706	5,984	4,022	4,022	4,022
Professional and special services	2,258	2,000	800	800	800	800	400
Depreciation of capital assets	1,712	1,529	4,491	6,237	7,208	7,497	7,644
Real property leases and taxes	1,586	1,657	1,650	1,650	1,972	1,972	1,972
Exhibitions	1,245	3,324	2,375	1,574	3,397	3,226	371
Information management infrastructure and systems	1,258	1,339	1,339	1,339	1,339	1,339	1,339
Marketing and communications	407	255	600	400	800	1,000	200
Repairs and maintenance	576	400	200	200	200	200	200
Travel	528	300	300	300	300	300	300
Freight and cartage	79	75	75	75	75	50	50
Purchase of objects for collections	37	4	4	4	4	4	4
Other	9	10	10	10	10	10	10
	30,081	32,651	34,325	36,317	37,837	38,118	34,169
Net result of operations before government funding	(27,492)	(29,406)	(31,151)	(33,061)	(31,815)	(31,618)	(31,547)
Parliamentary appropriation	27,188	29,350	29,733	31,939	31,343	31,506	31,446
Net result of operations	(304)	(56)	(1,418)	(1,122)	(472)	(112)	(101)
Equity of Canada, beginning of year	(4,987)	(5,291)	(5,347)	(6,765)	(7,887)	(8,359)	(8,471)
Equity of Canada, end of year	(5,291)	(5,347)	(6,765)	(7,887)	(8,359)	(8,471)	(8,572)

Notes:

1. The Museum received borrowing authority to enter into a long term capital lease obligation to fund the Gatineau facility. The Statement of Operations and Equity of Canada therefore reflects interest on the capital lease obligation as well as depreciation charges because of the recognition of the building as an asset. The accounting treatment of the costs associated with the Gatineau facility has a significant negative impact on the Museum's Statement of Operations and Equity of Canada.

2. The forecasted deficit for 2006-07 and 2007-08 is a result of two factors. The first one as explained in note 1 above relates to depreciation charges. The second factor contributing to the forecasted deficit is the increasing capital requirements for the Natural Heritage Building and the escalation in operating and maintenance costs for the renovated Victoria Memorial Museum Building, estimated to reach \$2.2 million annually as of 2009-10, for which a source of funds has not yet been identified. **For fiscal years 2008-09 and subsequent, the Museum has made the assumption that the gap between the requirements and the funding for the operating and capital costs of both facilities had been addressed by the government.** Therefore the Museum has chosen not to present the increasing operating costs of the facilities nor the related appropriation for those years.

FINANCIAL SUMMARY

Statement 3: Cash Flow Statement

(in thousands of dollars)

	2004-05 Results	2005-06 Forecast	2006-07 Pro forma	2007-08 Pro forma	2008-09 Pro forma	2009-10 Pro forma	2010-11 Pro forma
Operating Activities							
Cash receipts – customers	2,796	2,999	2,725	2,806	5,573	6,250	2,372
Cash receipts – parliamentary appropriation	43,231	5,951	26,546	25,901	25,383	24,973	24,832
Cash disbursements – suppliers and employees	(18,984)	(40,482)	(26,806)	(26,852)	(27,435)	(27,463)	(23,407)
Interest received	821	522	450	450	450	250	250
Interest paid	(2,986)	(3,233)	(3,206)	(3,175)	(3,141)	(3,104)	(3,063)
	24,878	(34,243)	(291)	(870)	830	906	984
Financing Activities							
Appropriation used to purchase depreciable capital assets	21,778	50,106	32,599	58,313	32,831	4,841	1,382
Obligation under capital lease	(242)	(267)	(294)	(325)	(359)	(396)	(437)
Endowment increase	20	-	-	-	-	-	-
	21,556	49,839	32,305	57,988	32,472	4,445	945
Investing Activities							
Acquisition of capital assets	(21,778)	(50,106)	(32,599)	(58,313)	(32,831)	(4,841)	(1,382)
(Increase) decrease in restricted cash, short-term investments and receivables	(351)	222	250	20	20	20	20
	(22,129)	(49,884)	(32,349)	(58,293)	(32,811)	(4,821)	(1,362)
Increase (decrease) in cash and short-term investments	24,305	(34,288)	(335)	(1,175)	491	530	567
Cash and short-term investments, beginning of year	15,890	40,195	5,907	5,572	4,397	4,888	5,418
Cash and short-term investments, end of year	40,195	5,907	5,572	4,397	4,888	5,418	5,985

Appendix A

Permanent Exhibitions

CREEPY CRITTERS

(partially open until September 4, 2006)

Live cockroaches swarming over an old pizza box, leeches looking for blood and scurrying mice are all part of this wonderful exhibition that dispels common myths and explains the importance of these misunderstood and unloved creatures.

PLANT LIFE

(open until September 4, 2006)

From blue-green algae to the myriad species packed into a square kilometre of the Amazon jungle, plants have evolved and adapted in fascinating ways. The exhibition describes the evolution and importance of plants and explains the strange things plants do in order to survive almost anywhere on Earth.

NATURE'S PHARMACY

(open until September 4, 2006)

Now you can discover what traditional healers (and even western pharmacologists) have known for centuries – that plants have amazing medicinal properties. This innovative and practical exhibition shows how plants can be used to cure migraines, clean your teeth and soften your skin.

ANIMALS IN NATURE

(open until September 4, 2006)

Whether they're flirting, fighting or just strutting their stuff, animals behave in all kinds of strange and interesting ways. This exhibition is a fascinating look at how animals live with one another and with human beings. It also gives you the key to understanding animal body language: why that peacock is shaking his feathers, why lem-mings run over cliffs and what it means when a squirrel chatters at you.

UNDER DEVELOPMENT

FOSSIL GALLERY

(October 2006)

Building on its rich tradition of excellence in palaeontological studies, the Museum will unveil a new signature Fossil Gallery that will focus on one dramatic period in the earth's history. The new gallery will present life from the Late Cretaceous Period through the cataclysmic changes that brought about the Tertiary Period with the extinction of the dinosaurs and the rise of mammals. The gallery's focus on the period between 35 to 85 million years ago will take an innovative approach to create a gallery unique in the museum world. The gallery will appeal to a broad general audience, who marvel at a world dominated by powerful, giant dinosaurs and fierce marine reptiles, which was yet fragile enough for them to become extinct through a combination of sudden and gradual changes to the environment.

The Fossil Gallery's content will demonstrate that Earth experienced great periods of environmental change in the past and that life has adapted and rebounded. This look at natural history as a means to understanding current concerns and issues will translate into a popular attraction. The new gallery will be three times as large as the current hall and will accommodate many more fossil specimens from the Museum's internationally renowned collections. The Fossil Gallery will incorporate the best in scientific research with new media and interactive technology, contributing to a new and unique learning opportunity for people of all ages.

MAMMAL GALLERY

(October 2006)

A major move and retrofit of the Museum's popular mammal dioramas will be partially completed for the re-opening of the West Wing. The dioramas are being taken apart and reconstituted in a new space with an enhanced interpretive component. The move affords the Museum the opportunity to undertake long-needed repair and conservation work.

BIRD GALLERY

(October 2006)

A new gallery based upon the Museum's extensive collections will feature all the bird species of Canada. Based upon the growing popularity of bird-watching, this new gallery takes a unique and original approach, organizing its exhibits as if they were field guides and treating visitors as if they were bird-watchers.

TEMPORARY EXHIBITIONS GALLERY

(October 2006)

The current renovation will address the Museum's longstanding lack of adequate temporary exhibition space. The new gallery, with flexible wall configurations and carefully-controlled environmental conditions, will enable the Museum to host a wide range of travelling exhibitions and will be the opening venue for the Museum's own expanding suite of touring shows.

MULTIPURPOSE SPACE

(October 2006 until May 2009)

A precursor of the larger Discovery Centre scheduled for 2009, the multipurpose space will house classroom, lab and small theatre space, and will function as the prime location for the Museum interpretive programming from 2006 to 2009. Designed for flexibility, it will also host a variety of events until the Museum Salon becomes available.

FINDERS AND KEEPERS – EXPANDED

(2009-10)

An expanded and enriched *Finders and Keepers* exhibition will open in the Victoria Memorial Museum Building's newly renovated East Wing in 2009. Like the original show, it will be collections-based and will feature weird and wonderful specimens, as well as some of the unique and wonderful people who collected them.

NATURE OF HUMANS GALLERY

(2009-10)

The Museum is planning a new gallery, travelling exhibitions and a wide range of educational programmes and discussion forums about the *Nature of Humans* that will explore what it means to be human. From DNA to the shape of our bones and muscles, and from conception to death, this project will examine the evolution of humans and our connection to nature and the environment. The subject will appeal to individuals with varied interests and knowledge. This project will provide a forum for open, balanced and objective conversations relating to issues that are often poorly understood. The gallery will be one of the most unique and engaging exhibitions in North America.

WATER GALLERY

(2009-10)

In addition to our vast inland stores of fresh water, Canada borders on three of the world's four oceans, and boasts the longest ocean coastline in the world. Yet water, our most precious natural resource, is still vulnerable. Learning to manage our water resources effectively is essential. The new Water Gallery and associated outreach programmes will provide a venue for Canadians to learn more about our aquatic heritage. A glass of cool, refreshing water will take on a whole new meaning as we learn where our water comes from, how it is treated and where it goes as it cycles back through the environment.

MINERAL GALLERY*(2009-10)*

A major move and expansion of the Museum's former Viola MacMillan Mineral Gallery will be completed in 2009. The new Gallery will highlight and showcase the Museum's mineral collection and will incorporate elements from the former Earth Hall.

DISCOVERY CENTRE*(2009-10)*

The Discovery Centre, created with children and families in mind, will be an innovative and interactive learning centre that will provide a window on Canada's natural world. The Centre will feature creative, active programming and multi-media exploration of the Museum's vast collections. Real specimens and computer-based information will be integrated within the exhibition and programming spaces. Museum staff will be available at all times to provide guidance, assistance and programme delivery. A comprehensive national outreach initiative, including exhibits and educational programming, will bring the Discovery Centre to other parts of the country through the use of virtual and live interactive programming. Real-time, person-to-person or group-to-group sessions will connect the Museum with other facilities, and will ensure virtual visitors have access to programming available at the Museum.

Appendix B

Victoria Memorial Museum Building Renewal Project

The Victoria Memorial Museum Building serves as the primary public site for the Canadian Museum of Nature permanent exhibitions, galleries and public education programming. A second facility, the Natural Heritage Building, officially opened in Gatineau in 1997 to house the research, collections management and administrative functions of the Museum.

Significant deficiencies were identified with the Victoria Memorial Museum Building, relating to both its functional and technical components. Ten building studies were conducted to analyse and document these deficiencies. The consensus of these studies was that a major asset rehabilitation of the Victoria Memorial Museum Building was required in order to maintain the building as an operational museum and safe environment for visitors and staff.

The renewal of the Victoria Memorial Museum Building considers its significant cultural and historical value, focussed around its role as the first national museum building in Canada. The last major renovation occurred in 1969-70. Since then, sprinklers have been added to most of the building, the roof has been replaced and exterior stonework and windows have been renovated.

There are three types of objectives for the Renewal Project: base objectives, functional objectives and critical objectives. The base objectives of the Renewal Project encompass the upgrading of the deteriorated building infrastructure including the heating, ventilation and air conditioning (HVAC) systems, water mains, building envelope, structural integrity, and health and safety systems. The functional objective is to redesign the space to deliver the Museum programme in an efficient and effective manner. The critical objective is to design and install seismic bracing to minimize damage and increase safety in the event of an earthquake while not interfering with the heritage appeal of the Victoria Memorial Museum Building.

MAJOR WORK PHASING

The Renewal Project consists of five different phases that began in 2004 and will take five years in total to complete (2009). The five phases are:

Phase 1 – Preparatory Work and Swing Space

Phase 1, which took place in Spring 2004, involved installation of permanent base building elements to allow Phase 2 (West Wing) to proceed on schedule. It included: temporary relocation of the fire alarm, security and communications systems; relocation of Museum operations to the East Wing; dismantling or relocation of existing exhibits from the West Wing; installation of hoarding, a crane and site office on the west lawn; and development of temporary parking on the east side of the site. This phase has been completed.

Phase 2 – West Wing and Lantern Sub-basement

Phase 2, which began in May 2004, involves installation of one-hour fire separation and fire rated doors between the west halls and the Atrium at each floor; complete asbestos removal and demolition work throughout the West Wing; complete seismic reinforcement; installation of a dynamic buffer zone, replacement of mechanical/electrical systems and installation of new washrooms, stairs and elevators in the West Wing. This phase will affect all building levels as well as the roof. It includes excavation below the existing basement slab on grade at the North entrance; construction of new raft foundation/structure and new column structure for the North Lantern; relocation of incoming water services; construction of permanent water/sprinklers in a new North entrance and provision of a temporary mechanical plant west of the North Entrance. Construction began in June 2004 and is scheduled to finish in June 2006.

Phase 3 – South Wing

Phase 3 involves construction of the South Wing to provide for shipping/receiving, workshops, mechanical/electrical plant, site improvements, outdoor terrace, water feature and multi-purpose exhibition space. It includes re-routing existing site services; routing new mechanical/electrical services and constructing a new security/communication centre. It provides a temporary link through the basement mechanical room in the apse. It also includes dismantling or demolishing existing exhibits in the East Wing. Construction started in September 2004 and is scheduled to finish in November 2005.

Phase 4 – East Wing

Phase 4 involves complete renovation of the East Wing including seismic reinforcement, mechanical/electrical systems, dynamic buffer zone, washrooms, stairs, elevators and new wall opening to the Atrium, demolition of walls and ceilings, and removal of asbestos. It includes disconnecting the existing electrical vault and construction of security/fire fighters in the east basement.

Phase 5 – Central Core

This phase includes all demolition and construction related to the Apse, Lantern and Atrium, installation of all new mechanical equipment and distribution on all levels, and construction of new stairs and the North Lantern.

Phase 4 and 5 are now scheduled to take place concurrently starting in October 2006, with completion date in spring 2009.

The Museum has received all required Government of Canada approvals, the necessary funds have been identified and the work is underway. The substantial completion date for the renovation is July 2009.



ALLIANCE OF NATURAL HISTORY MUSEUMS OF CANADA

The Alliance of Natural History Museums of Canada is dedicated to the preservation and understanding of Canada's natural heritage. By working in partnership, the Alliance is able to provide enhanced public programming with national reach, contribute to informed decision making in areas of public policy, and enhance collections planning and development to facilitate public and scientific access to collections information.

MEMBERS:

Canadian Museum of Nature
Montréal's Nature Museums
New Brunswick Museum
Nova Scotia Museum of Natural History
Prince of Wales Northern Heritage Centre
Royal Alberta Museum
Royal British Columbia Museum
Royal Saskatchewan Museum
Royal Tyrrell Museum
The Manitoba Museum
The Rooms, Provincial Museum Division
Yukon Beringia Interpretive Centre



Alliance of
**Natural
History
Museums**
of Canada

Alliance des
**musées
d'histoire
naturelle**
du Canada