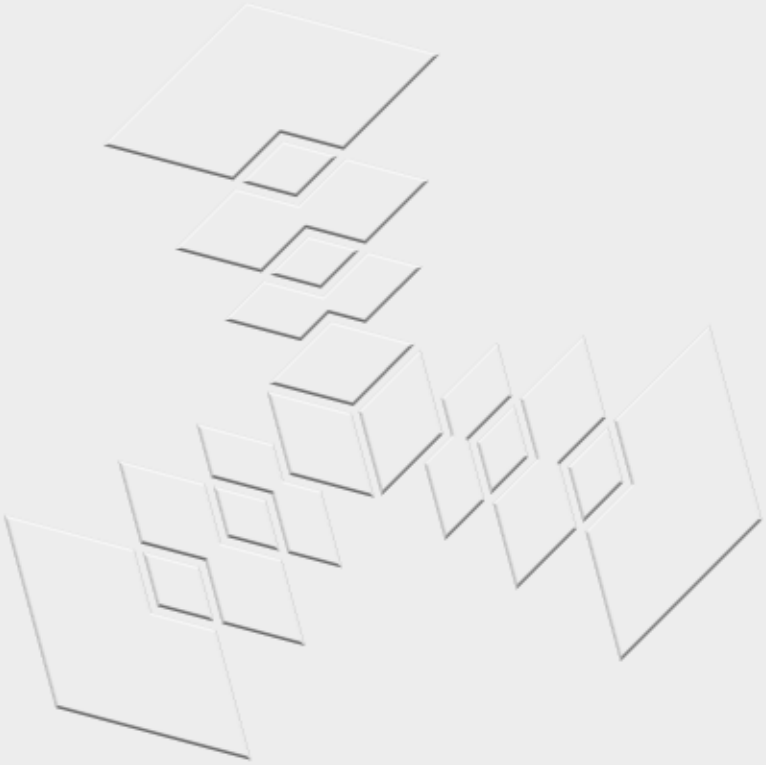
04.05 ANNUAL REPORT



CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

Canada Science and Technology Museum Corporation

Canada Agriculture Museum
Canada Aviation Museum
Canada Science and Technology Museum

Canada

TO FOSTER SCIENTIFIC AND TECHNOLOGICAL LITERACY THROUGHOUT CANADA BY ESTABLISHING, MAINTAINING AND DEVELOPING A COLLECTION OF SCIENTIFIC AND TECHNOLOGICAL OBJECTS, WITH SPECIAL BUT NOT EXCLUSIVE REFERENCE TO CANADA, AND BY DEMONSTRATING THE PRODUCTS AND PROCESSES OF SCIENCE AND TECHNOLOGY AND THEIR ECONOMIC, SOCIAL AND CULTURAL RELATIONSHIPS WITH SOCIETY.

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DR. VIRENDER HANDA

IT WAS WITH MUCH SADNESS THAT THE CORPORATION LEARNED OF THE PASSING OF DR. VIRENDER HANDA, CHAIRMAN OF THE BOARD OF TRUSTEES, ON MAY 3, 2005. DR. HANDA HAD BEEN ON THE BOARD FOR NINE YEARS, SIX OF THOSE AS CHAIRMAN, AND WAS A TRUE SUPPORTER OF THE CORPORATION AND ITS THREE MUSEUMS. AT EVERY OPPORTUNITY, DR. HANDA CHAMPIONED THE NEED FOR NEW ACCOMMODATIONS AND INCREASED FUNDING FOR THE CORPORATION, PLAYING A KEY ROLE IN THE HANGAR AND ADMINISTRATION CONSTRUCTION PROJECTS AT THE CANADA AVIATION MUSEUM AND THE EFFORTS TO GET A NEW CANADA SCIENCE AND TECHNOLOGY MUSEUM BUILDING. HIS CONTRIBUTIONS TO THE BOARD AND THE CORPORATION WILL BE MISSED.

CHAIRMAN'S MESSAGE

ON BEHALF OF THE BOARD OF TRUSTEES OF THE CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION, I AM PLEASED TO PRESENT THE ANNUAL REPORT FOR 2004–2005, DETAILING THE CORPORATION'S ACHIEVEMENTS OVER THE PAST FISCAL YEAR.

With the Chair position's term expiring in June, 2005, the Corporation launched a selection process for a new Chair in February and this process is expected to be completed early in the new fiscal year. The Board of Trustees' new Nominating Committee was also very active working with the federal government's new appointment process to identify potential Board candidates for consideration by the government. The Committee used a Board competency profile and gap analysis to determine the skills and experience required to best meet the Board's requirements. The Corporation was also actively involved in the federal government's review of governance in Crown corporations. The Board was very encouraged by the report submitted by the Treasury Board in February and looks forward to working through the refinement and implementation of the report's recommendations.

I would also like to welcome Corinne Mount Pleasant-Jetté from Ville St. Laurent, Quebec to the Board of Trustees. Professor Mount Pleasant-Jetté joined the Board in February and, with her extensive background in education and research, will be a very valuable addition to our team.

In closing, I wish to express my appreciation to my fellow Board members, to management and staff, to our supporters, and to all our volunteers for their contribution, dedication, and hard work.

ERIC LEMIEUX ACTING CHAIRMAN, BOARD OF TRUSTEES

REPORT FROM THE PRESIDENT AND CEO

THE PAST YEAR WAS ONE OF CONSIDERABLE ACCOMPLISHMENT FOR THE CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION. FOLLOWING A LENGTHY PROCESS DESIGNED TO SECURE FUNDING AND ALL OF THE NECESSARY APPROVALS, THE CORPORATION COMPLETED ITS MAJOR CONSTRUCTION PROJECTS AT THE CANADA AVIATION MUSEUM. THE COMPLETION OF ITS NEW STORAGE FACILITY ENABLES THE MUSEUM, FOR THE FIRST TIME EVER, TO PROVIDE PROPER STORAGE CONDITIONS FOR THE EXISTING AVIATION COLLECTION — IN PARTICULAR, LARGER AIRCRAFT WHICH COULD NOT BE ACCOMMODATED WITHIN THE MAIN MUSEUM BUILDING. DURING THIS CONSTRUCTION PROCESS, THE CORPORATION WAS ALSO ABLE TO IDENTIFY THE ADDITIONAL STAGES REQUIRED TO COMPLETE THE FULL MUSEUM PROJECT, AS OUTLINED IN THE 1993 DEVELOPMENT PLAN. WE WILL BE EXPLORING WAYS TO BRING THE NEXT PHASE TO FRUITION, IN TIME TO CELEBRATE THE 2009 CENTENARY OF POWERED FLIGHT IN CANADA.

In addition to the storage facility, the Corporation also completed a new administration, library and archives addition at the Canada Aviation Museum. This facility replaces the former STOLport (short-takeoff-and-landing) terminal building and construction trailer complex in which these functions were housed for nearly 20 years. The additional space acquired by the library will enable it to reach its full potential as the most significant library of its kind in Canada, and the associated archives space will allow the riches of the archival collections to be fully explored for the first time. These projects were completed within severe budgetary constraints, optimizing the value of every dollar invested. This is a testament to the dedication of all involved Corporation staff, as well as the professionals and workers who brought the structures into being. They all deserve our warmest congratulations.

A major accomplishment of a different kind was the Corporation's 2004 Special Examination report from the Auditor General of Canada. The report contained no findings or observations indicating that there are significant deficiencies in the systems, processes and practices that the Corporation employs to conduct its business. The report does contain a number of positive suggestions about how the Corporation can become even more effective in its practices; these suggestions were duly noted, and action is being taken to implement them.

In particular, we were encouraged to review our strategic planning process. Subsequent work in this area has resulted in the adoption of a more focussed approach, based on six "pillars of success" embodying common themes across all of the Corporation's business units. Staff has responded very positively to this new approach, and has worked enthusiastically to put it in place. There has also broad staff participation in the various process re-engineering and special task groups which have been formed to assist with the implementation of the new strategic framework. The framework will provide clear long- and short-term objectives, methods of measurement and senior executive oversight, to ensure that Corporation-wide activity is focussed on outcomes. It is a modern, businesslike approach to managing the Corporation's affairs, and we believe it responds positively and meaningfully to our needs.

As these changes were being developed and implemented, work continued on developing the Corporation's final recommendations to the Minister of Canadian Heritage for a new Canada Science and Technology Museum facility. This largely took the form of additional work to quantify the elements that would drive costs, examine phasing possibilities and revisit the quantitative and qualitative aspects of various site opportunities. Work will continue on this project into 2005–2006, when we anticipate being able to present the Minister with a series of options for bringing this project to fruition. Now approaching 40 years' accommodation in a building only ever seen as a temporary expedient, the Museum clearly needs a new home if it is to reach its potential as a key component in Canada's strategy for investing in the development of a modern post-industrial economy.

The Corporation has been greatly assisted in dealing with all of these issues by the wise guidance of its Board of Trustees. Mr. Eric Lemieux, who acted as Chair during the illness of Dr. Virender Handa, merits particular thanks for his work.

Finally, the Corporation has continued to benefit from the enthusiasm and dedication of its staff and volunteers. It is they — operating on the frontlines, as curators, hosts, technicians, editors, planners, educators, as well as in many other specialized roles — who are responsible for the high approval ratings given to each of our museums by visitors and users of all kinds. It continues to be stimulating and exciting to work in association with such exceptional colleagues.

CHRISTOPHER J. TERRY  PRESIDENT AND CHIEF EXECUTIVE OFFICER

BOARD MEMBERS AND COMMITTEES (AS OF MARCH 2005)

BOARD OF TRUSTEES: FROM LEFT TO RIGHT: COSTANZO GABRIELE, GAIL BECK, CORINNE MOUNT PLEASANT-JETTÉ, RON FOXCROFT, ERIC LEMIEUX, CHRISTOPHER TERRY (PRESIDENT AND CHIEF EXECUTIVE OFFICER), WALTER PARSONS, PATTI PACHOLEK, JOACHIM SIMARD, OLGA BARRAT, ROGER SOLOMAN.

BOARD MEMBERS

Chairman	Virender K. Handa *(KITCHENER, ONTARIO)*
Vice-Chairman	Eric Lemieux *(SILLERY, QUEBEC)*
Members	Olga Barrat *(VANCOUVER, BRITISH COLUMBIA)*
	Gail Beck *(OTTAWA, ONTARIO)*
	Ron Foxcroft *(HAMILTON, ONTARIO)*
	Costanzo Gabriele *(CALGARY, ALBERTA)*
	Corinne Mount Pleasant-Jetté *(VILLE ST-LAURENT, QUEBEC)*
	Patti Pacholek *(REGINA, SASKATCHEWAN)*
	Walter Parsons *(OTTAWA, ONTARIO)*
	Joachim Simard *(VILLE DE LA BAIE, QUEBEC)*
	Roger Soloman *(SOURIS, PRINCE EDWARD ISLAND)*

EXECUTIVE COMMITTEE

Chairman	Virender K. Handa
Members	Eric Lemieux
	Joachim Simard
	Christopher Terry *(PRESIDENT AND CEO)*

AUDIT COMMITTEE

Chairman	Eric Lemieux
Members	Gail Beck
	Patti Pacholek
	Roger Soloman

MAJOR FACILITIES COMMITTEE

Chairman	Costanzo Gabriele
Members	Olga Barrat
	Virender K. Handa
	Joachim Simard
	Christopher Terry

NOMINATING COMMITTEE

Chairman	Joachim Simard
Members	Eric Lemieux
	Patti Pacholek
	Walter Parsons
	David Elder *(EXTERNAL)*
	Christopher Terry

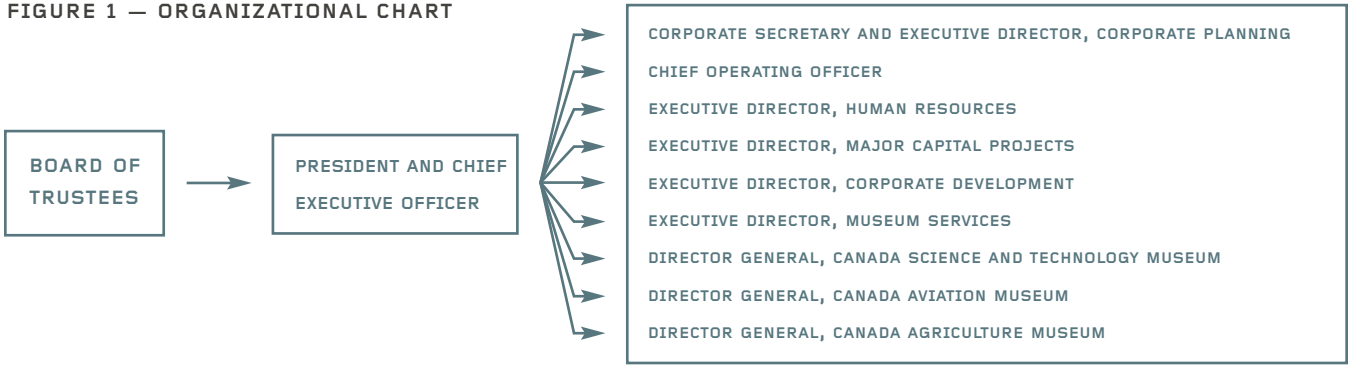
DEVELOPMENT AND MARKETING COMMITTEE

Chairman	Walter Parsons
Members	Gail Beck
	Olga Barrat
	Ron Foxcroft

CANADIAN SCIENCE AND ENGINEERING HALL OF FAME COMMITTEE

Chairperson	Olga Barrat
Members	Costanzo Gabriele
	Patti Pacholek
	Roger Soloman

FIGURE 1 — ORGANIZATIONAL CHART



CORPORATE GOVERNANCE

The mandate, powers and objectives of the Corporation are set out, in broad terms, in its enabling legislation. As a Schedule III, Part One Crown corporation, the Canada Science and Technology Museum Corporation (CSTMC) is subject to Part X of the *Financial Administration Act*, which outlines its control and accountability framework. The Corporation is ultimately accountable to Parliament, through the Minister of Canadian Heritage, and is part of the federal government's Canadian Heritage Portfolio. The Corporation receives an annual appropriation, which it supplements through revenue-generating activities.

A Board of Trustees, whose members come from all regions of the country and are appointed by the Governor-in-Council, oversees the management of the business, activities and affairs of the Corporation. The Board has up to eleven members, including the Chair and Vice-Chair, and is supported by six committees: an Executive Committee, an Audit Committee, a Major Facilities Committee, a Nominating Committee, a Development and Marketing Committee, and a Canadian Science and Engineering Hall of Fame Committee. The committees usually meet before each Board meeting or by teleconference, and report on their activities at each Board meeting.

1. **Executive Committee** — exercises the duties of the Board in the interval between Board meetings. The Committee held one meeting and four teleconferences during the year.
2. **Audit Committee** — oversees the Corporation's financial and management controls, practices and information systems. The Committee held three meetings during the year.
3. **Major Facilities Committee** — ensures that best practices are followed with regards to the Corporation's major building projects, and provides general guidance to management. The Committee held three meetings and three teleconferences during the year.
4. **Development and Marketing Committee** — provides advice on development and marketing matters. The Committee held two meetings during the year.
5. **Canadian Science and Engineering Hall of Fame Committee** — provides advice on the Hall of Fame program at the Canada Science and Technology Museum. The Committee held three teleconferences during the year.
6. **Nominating Committee** — established in response to the government's new merit-based process for appointments and reappointments, the Committee reviews and recommends, to the Board, individuals to be nominated for appointment or reappointment as Trustees. The Committee also reviews Board committee structure and membership, and ensures that a Board self-assessment process is in place. The Committee held three meetings and one teleconference during the year.

The membership of the Board of Trustees will undergo significant turnover in the coming year: a number of members are not eligible for re-appointment, given the current federal practice of not renewing members for a third term. The Corporation's Chair must be replaced this year, and a recruitment firm has been hired to manage this process. The Vice-Chair also needs to be replaced, and a recommendation was submitted to the Minister for consideration. Although such a high level of turnover is not ideal, the Corporation is looking at this challenge as an opportunity to best meet the needs of its Board of Trustees and the organization.

The Corporation's daily operations are managed by the President and Chief Executive Officer, with support from a management team which includes a Chief Operating Officer, Directors General from each of the three museums, and Executive Directors of Museum Services, Human Resources, Corporate Development, Corporate Planning and Major Capital Projects (see Figure 1).

This past year, discussions on governance were at the forefront, with the federal government's review of governance in Crown corporations announced at the end of the previous fiscal year. The Corporation was actively involved in the consultative process which led to the release of the government's report in February 2005. The Corporation supports many of the measures identified in the report, aimed at strengthening governance and accountability frameworks within Crown corporations, and will work towards their implementation over the upcoming year.

In May 2004, the Corporation received the special examination report from the Auditor General, representing a third cycle of examination for the Corporation. The report audited the Corporation's systems and practices to determine whether there were any significant deficiencies in the systems and practices examined. Based on the criteria established for the examination, the Auditor General reported that there was reasonable assurance that there were no significant deficiencies in the Corporation's systems and practices. The Board's Audit Committee and management reviewed and developed an action plan for implementation of the report's recommendations.

The examination report made recommendations with regards to the strategic planning practices of the Corporation: in particular, the clarity of its key objectives and their relationship to ongoing objectives, as well as the more effective communication of its strategic direction to staff. In response to these observations, the Board of Trustees and Management re-examined the Corporation's strategic framework, as part of the development of a five-year corporate plan. A new vision statement was developed, including the definition of six key pillars of success supporting this vision. Objectives with five-year and one-year targets and measures were identified for each of the pillars. The corporate plan reflecting this new framework was reviewed and formally approved by the Board in December for submission to the Minister of Canadian Heritage. In order address communications issues related to informing staff, a day-long presentation of the strategy was made in January.

CORPORATE PROFILE

Mission

TO DISCOVER AND SHARE KNOWLEDGE ABOUT CANADA'S SCIENTIFIC AND TECHNOLOGICAL HERITAGE, IN ORDER TO INCREASE AN UNDERSTANDING AND APPRECIATION OF THE ROLE THAT SCIENCE AND TECHNOLOGY HAVE PLAYED, AND CONTINUE TO PLAY, IN THE TRANSFORMATION OF CANADA.

Mandate

The National Museum of Science and Technology, now operating as the Canada Science and Technology Museum Corporation (CSTMC), was established as an autonomous Crown corporation on July 1, 1990, with the passage of the *Museums Act*. The mandate of the Corporation as stated in the Act is:

To foster scientific and technological literacy throughout Canada by establishing, maintaining and developing a collection of scientific and technological objects, with special but not exclusive reference to Canada, and by demonstrating the products and processes of science and technology and their economic, social and cultural relationships with society.

The Corporation is responsible for the development and management of a representative collection of scientific and technological artifacts and materials. The collection focusses on seven major subject areas: aviation, communications, manufacturing, natural resources, renewable resources including agriculture, scientific instrumentation, and transportation. The Corporation manages three museums: the Canada Agriculture Museum, the Canada Aviation Museum, and the Canada Science and Technology Museum. Each museum undertakes curatorial work and sets its own public programming activities and strategies, in recognition of the different markets and clienteles it serves. The museums operate under a common set of corporate policies. Support services such as human resources, finance and facilities management are provided centrally.

Historical Background

The three museums managed by the Corporation have evolved under individual circumstances.

CANADA AGRICULTURE MUSEUM

The Canada Agriculture Museum is located at Ottawa's Central Experimental Farm (CEF). The agricultural collection, previously maintained by the federal Department of Agriculture at the CEF, was transferred to the National Museum of Science and Technology in 1979. In 1983, discussions with Agriculture Canada resulted in a co-operative project which established the Agriculture Museum in a refurbished historic barn at the CEF. In 1995, a new agreement leased additional buildings to the Museum, and transferred equipment as well as ownership of the showcase herds. Unfortunately, a tragic fire at the Museum at the end of August 1996 resulted in the loss of two historic buildings and 57 animals. Approval of government funding was obtained for construction of a replacement barn; this project was completed in November 1999.

In 1998, the CEF was designated a National Historic Site by the Historic Sites and Monuments Board of Canada for its distinctiveness as a cultural landscape; for its ongoing research, which contributes significantly to agriculture; and for the fact that it is a rare example of a farm within a city. Agriculture and Agri-Food Canada also undertook a public review of the future of the Central Experimental Farm, and the Museum's master site plan, completed in March 2000, has been reviewed within the context of the management plan for the CEF.

In November 2002, the Board of Trustees of the Canada Science and Technology Museum Corporation passed a bylaw establishing the Canada Agriculture Museum as an affiliate museum of the Corporation. The by-law was approved by the Governor-in-Council in January 2003.

The Museum offers programs and exhibitions on Canada's agricultural heritage, and on the benefits and relationship of agricultural science and technology to Canadians' everyday lives. It provides visitors with a unique opportunity to see diverse breeds of farm animals important to Canadian agriculture today and in the past. In addition to breeds common to Canadian agriculture, such as Holstein dairy cows and Angus beef cows, the Museum also has Canadienne dairy cows, Tamworth pigs and Clydesdale horses. Many other breeds of dairy and beef cattle, pigs, sheep, horses, poultry, goats and rabbits round out the collection. Public programming includes special weekend theme events, school programs, summer day camps, interpretive tours, demonstrations, and joint undertakings with community groups and associations.

CANADA AVIATION MUSEUM

Following a 25-year gestational period, the National Aviation Museum was formed under the auspices of the National Research Council. In October 1960, it opened to the public in the new terminal at Ottawa's Uplands Airport (now MacDonald-Cartier International Airport). In 1961, it was made a responsibility of the Secretary of State Department and reported through the Director of the Museum of Human History. The National Aviation Museum's original focus was on bush-flying, and on early attempts to manufacture aircraft in Canada. In 1964, most of the collection was relocated at Ottawa's historic Rockcliffe Airport, where it was jointly displayed with the Canadian War Museum's collection of military aircraft from several countries — dating from the First World War to the 1950s — and a collection of aircraft owned by the Royal Canadian Air Force, illustrating the history of the RCAF. This new, amalgamated and jointly-managed collection, named the National Aeronautical Collection in 1965, provided a comprehensive perspective on the history and development of aviation, with a focus on Canada.

In 1967, the National Aeronautical Collection was brought under the auspices of the National Museum of Science and Technology and, in 1982, its Rockcliffe site was officially named the National Aviation Museum. In June 1988, a new building for the Museum was opened at Rockcliffe Airport, providing a significantly improved environment in which to display and preserve most of the world-renowned collection. Although the new facility did not address all of the Museum's requirements, it was the most that could be accomplished with the funds available at the time. The need for additional space and amenities was recognized, and an acknowledgment was made of the need for additional funding to house the collection properly. In 2000, the Museum changed its operating name to the Canada Aviation Museum and, in 2001, funds for the construction of a new collection storage hangar were approved. The project was completed in April 2005.

CANADA SCIENCE AND TECHNOLOGY MUSEUM

The Canada Science and Technology Museum (formerly the National Museum of Science and Technology) opened in November 1967. Although a purpose-built museum in the downtown core had been contemplated in the early to mid-1960s, when it opened, the Museum was housed at its present location: a former bakery distribution warehouse on a 12.2-hectare site what was then the south-eastern fringe of the urban core. An addition designed to display locomotives from the collection was constructed prior to the Museum's opening in 1967. It was recognized at the time that this accommodation was temporary, and that it could not provide appropriate long-term museum facilities. The property was leased until 1993, when the site was purchased by the federal government. Over the years, the building was gradually adapted, to the extent that its structure permitted — not only to help meet museum-related requirements, but also to address basic health and safety concerns. In 2001, the government announced that a feasibility study would be undertaken to examine the needs and costs for a new museum facility. This work is now complete, with the Corporation awaiting government consideration of the findings.

The Museum is unique in several ways. It is the only comprehensive science and technology museum in Canada. It also was the first national museum to focus a large proportion of its resources on exhibitions and programs, and to use demonstrations and interactive methods to engage visitor attention. Despite its inconvenient suburban location and less-than-ideal accommodation, it quickly became the most popular of the national museums, and has remained very popular to this day.

The Museum boasts the largest and finest collection of scientific and technological artifacts in Canada. Since its inception in 1967, the CSTM collection has grown particularly strong in the general areas of communication, transportation, and physical science. It also contains a number of exceptional assemblages, including the Ontario Hydro, Shields and Marconi collections. In support of the collection's ongoing growth and evolution, the Museum has also developed an exceptional library and photographic archive, which includes remarkable trade literature holdings and the outstanding Canadian National railway photo collection.

CORPORATE PERFORMANCE

Key Objectives

THE BOARD OF TRUSTEES OF THE CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION IDENTIFIED FIVE KEY OBJECTIVES AS PRIORITIES FOR THE PAST YEAR:

1. DEFINING THE NEEDS FOR A NEW CANADA SCIENCE AND TECHNOLOGY MUSEUM BUILDING;
2. COMPLETING THE CONSTRUCTION OF A COLLECTION STORAGE HANGAR AT THE CANADA AVIATION MUSEUM;
3. ADDRESSING ACCOMMODATION-RELATED MATTERS FACING THE CANADA AGRICULTURE MUSEUM;
4. STRIVING TO MAKE ITS COLLECTION AND PROGRAMS ACCESSIBLE TO ALL CANADIANS; AND
5. STRENGTHENING ITS OVERALL FINANCIAL POSITION.

ACCOMMODATION

Canada Science and Technology Museum

The CSTM has been situated at its present location — a site on St. Laurent Boulevard in an industrial park — since 1967. The original building was constructed in 1964 as a warehouse-grade structure, for use as a bakery distribution centre. It is now almost 40 years old, and at the end of its originally anticipated life. The site and building have been gradually adapted to museum use over the years; however, as the situation was meant to be temporary, investments have tended to deal more with the safety and the structural integrity of the building, rather than with the development of museum amenities or programming. In 1998–1999, a Property Condition Assessment study, commissioned by the Corporation, identified a potential seismic hazard to the building, in the event of a more serious earthquake within the range to be expected in the National Capital Region. In May 2001, the federal government recognized the inadequacy of the Canada Science and Technology building, and announced that the Corporation would undertake a feasibility study to define the needs and costs of a new facility. The feasibility project, initiated in October 2001, was completed by February 2003. The study provided in-depth information, and generated a host of ideas for the vision and implementation of a new Canada Science and Technology Museum, and the demographic segments it will be serving in the future. Key to this vision is a proposed new vision statement for the Museum:

We explore, with all Canadians, the rich connections between science, technology, society and culture: an essential step in our understanding of ourselves and the world.

In keeping with this newly articulated vision, the Museum will become a place where people can immerse themselves in a world of new ideas and experiences, discover Canada's rich science and technology past, debate current issues in science and technology, celebrate the creative aspects of science and technology, and query their own relationships with society and the natural world. It will be a museum that benefits all Canadians, celebrates Canada's diversity, acts as a conduit of ideas and information, and builds a sense of Canadian identity. The new museum will be a truly national museum of international standing, worthy of Canada and reflective of the important role played by science and technology in today's world. As currently envisioned, the new Museum will be a leading international model of sustainable development, not only in its buildings and grounds, but also in its demonstration of state-of-the-art technology. With respect to environmental technology and LEED[1], it could be the first Platinum building in Canada.

1 The LEED (Leadership in Energy and Environmental Design) Green Building Rating System™ is a voluntary, consensus-based national standard for developing high-performance, sustainable buildings. LEED represents a process by which the degree of sustainable development is evaluated, with several levels of certification possible.

This past year, the Corporation undertook three smaller studies concentrating on three viable sites: LeBreton Flats West, Rockcliffe Park and the Museum's current location. First, the Corporation conducted a review of the initial site selections, with a re-evaluation of the criteria and their application to all three initial site possibilities. This review confirmed that the best three potential sites remain the ones listed above. The Corporation then paid for a massing study on the LeBreton Flats site. This study was completed in October 2004, and showed that it is possible to build the entire museum facility on that site, even though the available land is considerably smaller than in 2003. The reasons for this reduction on size are, on the one hand, the National Capital Commission's plan for housing on LeBreton Flats and, on the other, the City of Ottawa's plan for a multi-use development at the Bayview location. The third study involved a quantitative comparison of the three sites: items such as cost of land, cost of decontamination, and cost of the building and of new infrastructure were determined for each site. The study concluded that there are no significant cost differences between the three sites. Near the end of the year, discussions were held with representatives of the Department of Canadian Heritage on the need for further studies looking more specifically at qualitative factors (attendance, local presence, etc.) which would come into play at each of the three sites.

The new purpose-built Canada Science and Technology Museum would offer a variety of experiences from the general to the specific, open up access to the Corporation's rich and diverse collection, and present exhibitions focussing on the current impact of technology on people, as well as technology's past contributions to the development of Canada. The completed Museum would accommodate growth in both visitorship and the collection for another 25 years.

Canada Aviation Museum

Construction of new facilities on the Canada Aviation Museum site continued through the year. The first element of the project to be completed was the new administration, library and archives wing, which was added to the north side of the Museum building. Museum staff settled into the impressive new facilities in the final quarter of the fiscal year. Outfitting of the library and archives is still in progress.

It had been hoped to complete the 8,000-square-metre storage hangar in time for aircraft to be moved into it before the winter set in. In the end, it was only possible to place a few aircraft in the building in mid-December, due to a number of ongoing construction issues. In particular, erection of the complex glass wall on the southern end of the building proved to be technically challenging. This, and other more minor issues, led to a delay in the completion of the building until the end of the fiscal year. The formal dedication of the new storage facility was scheduled for April 14, 2005.

Despite construction delays which were beyond the Corporation's control, the project was managed at a lower cost, net of inflation, than the approved funding from the Treasury Board.

Canada Agriculture Museum

The Canada Agriculture Museum's Master Plan was reviewed in the context of the Central Experimental Farm National Historic Site Management Plan. It was found that the principles on which the plan was elaborated in 2000 were still valid. The only change required would be making the entrance to the new Museum Reception Centre accessible from the north, as well as from the parking lot. This would allow visitors walking from the proposed CEF Visitor Centre at the Sir John Carling Building to enter the Museum site easily. Meetings with Agriculture and Agri-Food Canada and the National Capital Commission, to finalize the Canada Agriculture Museum Master Plan, are scheduled early in the new fiscal year.

NATIONAL OUTREACH

As a national institution, the Corporation plays an important role in fulfilling the federal government's objectives of strengthening the bonds of shared citizenship and creating an environment that allows for a greater understanding of Canadian society. The Corporation fosters, on the part of all Canadians, an understanding of their scientific and technological heritage, its place in their culture, and a sense of pride in Canada. Through its research, exhibitions, innovative programming, Web sites and publications, the Corporation strives to increase Canadians' scientific and technological awareness, and accessibility to this knowledge base.

Over the past year, activities aimed at increasing accessibility to the Corporation's collection and programs included the following:

INTERNET — The number of visitors to the Corporation's Web sites exceeded the target of 1.8 million users by 6 %. However, the significant growth which had occurred over the last several years was not realized. This was thought to result from a couple of factors. The launch of a reconstructed Canada Aviation Museum Web site resulted in an initial drop in user sessions — often a typical consequence of re-launching a site. User sessions rebounded during the year as bookmarks were re-established and users became familiar with the new site. The Canada Science and Technology Museum Web site also saw a slight drop in user sessions, suggesting a need to review the existing site construction and content, in order to better respond to user expectations.

DIVERSITY — During the fiscal year, the Corporation's Diversity Committee reviewed and proposed a mandate which included the following responsibilities:

> to identify key issues and generate initiatives to integrate diversity into the way in which the Corporation conducts its business;
> to identify, as required, community representatives and to establish liaisons or partnerships with these resources to ensure the accuracy and appropriateness of corporate initiatives; and
> to act as a consultative committee with respect to employment equity initiatives.

The Committee also identified the following goals to guide its activities:

> to provide an accurate and appropriate portrayal of diversity in exhibits, programming, research materials, special events, and communications;
> to reach a representative workforce with respect to the employment equity target groups; and
> to promote a work environment which fosters mutual respect, including recognition of the value of diversity in the workforce.

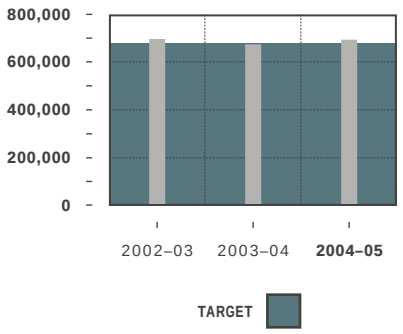
This past year, the Corporation welcomed its first intern through its partnership with the Canadian Museum of Civilization's Aboriginal Training Program in Museum Practices. Mr. Stan Smith from Ehattesaht First Nation (Vancouver Island, British Columbia) completed his internship with the Corporation, contributing to the development of an exhibition proposal, as well as providing the Corporation with insights on how its current exhibitry might be made more relevant to First Nations visitors.

Working with interdepartmental and Canadian Heritage Portfolio partners, the Corporation also participated in the planning of the 2005–2006 series of annual National Gatherings on Traditional Knowledge, sponsored by the Department of Canadian Heritage.

COLLABORATION AND PARTNERSHIP — The Corporation initiated a number of collaborative initiatives and partnerships with organizations within the Canadian Heritage Portfolio, as well as with similar subject-based institutions, and anticipates the development of these into effective working relationships on behalf of the public and our partners. Many of these initiatives are described in the museums' individual sections.

CSTMC MUSEUMS — The Corporation's museum sites continue to be a primary way of making its collection and programs accessible to Canadians. Total onsite attendance was just under 700,000 visits, up over 3% in comparison with the previous fiscal year (see Figure 2). Against the target identified in the Corporate Plan, results were up about 2.5%. A number of successful special events and an improvement in tourism levels were the main contributors to these increased levels.

FIGURE 2 — CSTMC ATTENDANCE
(Target = 680,000)



NATIONAL REGISTRY — The Corporation is working on the development of a National Registry of Significant Artifacts in Science and Technology, in conjunction with its collection development process. Collection assessment work in all of the major subject areas will result in a description of the ideal artifact collection to represent and illustrate each of the Corporation's major subject areas. Once established, this Registry will serve to increase the recognition and profile of Canada's scientific and technological heritage, while greatly enhancing and facilitating its preservation, interpretation and access. In an effort to advance this initiative, the Corporation submitted a proposal to the Virtual Museum of Canada (VMC) Investment Program for funding to undertake the project. Supporting this initiative on behalf of the CSTMC were the Nova Scotia Museum Complex, the Musée de la civilisation in Quebec City, Carleton University (History) in Ottawa, the Canadian Science and Technology Historical Association,and Ke-EMu. The VMC will provide a decision on the application early in the new fiscal year.

ARTIFACT LOANS —The richness of the Corporation's collection is one of its significant strengths. In order to increase access to its artifacts, the Corporation maintains an active loan program — including individual artifacts as well as portions of collections — to institutions throughout Canada, the United States and abroad. The Corporation's loan program helps to ensure that Canadians can experience firsthand what has been preserved on their behalf. Last year, approximately two million visitors saw artifacts on loan at various borrowing institutions.

NATIONAL SYMPOSIUM ON THE FUTURE OF MUSEUM RESEARCH IN CANADA — With colleagues from the Canadian Museum of Nature, the Canadian War Museum, the Agnes Etherington Art Gallery, the Musée des Civilisations, Carleton University and the Canadian Museums Association (CMA), the Canada Science and Technology Museum's curatorial staff played a key role in program development and presentation of the CMA's Museum Research Summit. Collection and Research staff from the Corporation's three museums attended the landmark event, held in Ottawa in early January 2005, with several members of staff acting as session facilitators.

TRAVELLING EXHIBITIONS — The Canada Agriculture Museum continued to develop a major travelling exhibition titled **Food For Health**. This project is being developed in collaboration with the Canadian Institutes of Health Research, the Department of Canadian Heritage, Health Canada, Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, the Canadian Agri-Food Research Council, the Canadian Bacterial Diseases Network, Genome Prairie, the National Research Council of Canada Institute for Biological Sciences, and a consortium of additional public- and private-sector groups under the umbrella of The Canadian Partnership for Consumer Food Safety Education.

FINANCIAL POSITION

The Corporation faces the challenge of fulfilling its legislated mandate — as well as responding to new government objectives and the increasing demands of a changing social and technological environment — with a resource level that has been historically the lowest of the four national museum corporations. The Corporation faces pressures which have not been experienced by sister institutions which have had an opportunity to centralize and obtain new accommodations, thus relieving some of the stress on their operating funds. In this respect, the Corporation must also absorb the uneconomical costs involved in operating three distinct public facilities for which duplicate services must be provided. One of these museums is, in fact, operating without the benefit of any appropriated dollars of its own, unlike the two other museums managed by the Corporation. The resolution of a stable funding base for the Canada Agriculture Museum at the Central Experimental Farm, which has become a hugely popular public destination in its short 20-year life, has now become critical.

Discussions were held with Agriculture and Agri-Foods Canada to review the site tenancy agreement for the Canada Agriculture Museum, thereby encouraging greater collaboration. Their participation in the Museum's next exhibition, as well as a review of operating expenses, is the beginning of operating a more effective museum, to the benefit of both the Corporation and Agriculture Canada.

Fixed costs for facilities management continued to undergo rigorous review. Improved tools for monitoring utilities (hydro and water) were put in place to help curb consumption at peak times, helping to reduce costs in order to offset market increases. Market analyses in the lease and building operations area were also undertaken, in order to reduce costs in this area, redirecting the savings for use in the Corporation's programs.

Continued discussions were held with the Department of Canadian Heritage to redress the inequity of funding mechanisms between Crown corporations and other government departments. Efforts to secure operations funding for the new facilities at the Canada Aviation Museum are beginning to bear fruit. There is increased government awareness and recognition of the issue, and a funding mechanism is currently being explored to address this shortfall.

The new strategic framework, and its collaborations pillar, have permitted the Corporation to increase its focus in the client/partner area. Staff is learning more about providing market-focussed product offerings: a the first stage in increasing revenue from the Corporation's facilities, programs and activities.

ONGOING OBJECTIVES

HERITAGE PRESERVATION

Research

Research comprises those activities which contribute to the building of a knowledge base on the scientific and technological heritage of Canada. The Corporation has identified seven major subject areas on which to focus its research activities: aviation, communications, manufacturing, natural resources, renewable resources including agriculture, scientific instrumentation, and transportation.

Research generates the knowledge required to help the Corporation make informed decisions regarding the content of the collection, as well as providing a knowledge base which is shared through exhibitions, Web sites and publications.

Research activities are carried out in support of the following objective:

To identify concepts and ideas key to the understanding and appreciation of the scientific and technological heritage of Canada.

Central to the research program is the identification and analysis of important concepts, ideas and issues key to the historical development of each main subject area. The Corporation has adopted a conceptual theme — the Transformation of Canada — to provide a framework for its research program.

The transformation of Canada, from the period of early exploration and settlement to the present, has been marked by achievements in science and technology. There is an ongoing relationship between science, technology and Canadian society which has changed Canada, influenced its people, and will continue to do so.

Historical research directed at the theme and sub-themes of the Transformation of Canada forms a body of knowledge which covers the most important aspects of each major subject area. Major subject areas are subdivided, as required, to break this research into manageable portions.

Most projects listed in the Historical Research Plan for 2004–2005 were completed or are on schedule (see Figure 3). However, the demands on staff time occasioned by the CSTM's Technology and the Body Conference, work on the Canada Aviation Museum's new facility and the Canadian Museums Association Museum Research Summit, delayed other projects.

Although aimed at the entire museum community, the CMA's Museum Research Summit (the first of its kind in Canada) proved especially significant for the CSTMC in a number of ways. First, the proceedings, discussions and conclusions of the Summit all reinforced the keystone principle of the CSTMC Collection Development Strategy (CDS); namely, that directed research is the basis of all effective collection development. The conference generated several requests for copies of this CSTMC document. In this respect, the Summit was especially timely, since it coincided with planning for a comprehensive review of the CDS in 2005–2006. In addition, this national conference, which took place in Ottawa, was attended by a large number of CSTMC staff, five of whom played an active role. Such was the interest and energy generated from this participation, that Management organized a sequence of internal meetings to reflect on the experience and its broader implications for research at the CSTMC.

Collection

A major challenge for any museum is to determine what items it will collect, how the collection will be organized, and how these items will be preserved for future generations. The Corporation, as the only comprehensive national science- and technology-collecting institution in Canada, has a special responsibility for the development of a Canadian national collection. In view of the breadth of the potential subject matter to be covered, critical choices must be made in determining collection content and priorities.

Collection development and management activities are carried out in support of the following objective:

To develop and manage a national collection of objects representative of science and technology in Canada.

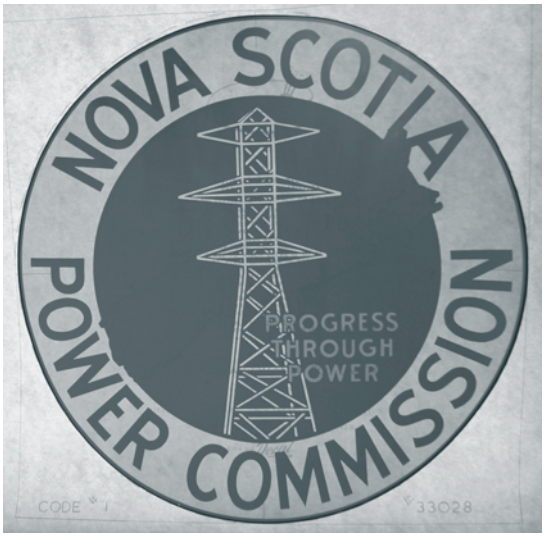
DEVELOPMENT

The primary purpose of the collection is to help people understand the transformation in Canadian life which has resulted from science and technology. A focussed collection is achieved by identifying and acquiring the objects and supporting documentation which best reflect a historical framework, and by removing or de-accessioning materials that are not consistent with this framework. It is also essential that all documentation be managed in a professional manner, permitting retrieval and adaptation to a variety of media. Adherence to strict environmental standards and professional conservation activities are also required, in order to ensure the long-term preservation of the collection.

Collection development activities utilize historical research to assist the Corporation in making informed decisions on collection content. Following completion of historical assessments, collection assessments are prepared in three sections: the ideal collection, a profile of the existing collection, and the needs of the collection. The latter is obtained by comparing the ideal collection to the collection profile, which identifies artifacts or classes of artifacts to be acquired.

Increasingly, collection assessments are being used to establish a rationale for artifact acquisitions. As noted above, the demands of other major priorities for the year affected the projected rate of completion for collection assessments (see Figure 4).

↓ NOVA SCOTIA POWER COMMISSION DECAL, ONE OF 5,803 DECALS FROM THE COLLECTION DONATED BY DR. R. A. STEWART OF TORONTO, ONTARIO



Canadian society continues to be influenced by advances in science and technology. Acquisitions by the Corporation's museums in 2004–2005 illustrate the innovative spirit of Canadians, both at home and on the world stage, and the interface of science and technology with popular culture and commerce.

The significant research function carried out by Agriculture and Agri-Foods Canada was documented by the Canada Agriculture Museum through the acquisition of an autoclave (ca. 1928) used by the National Forage Research Laboratory in Saskatoon. The unit represents the early use of such technology to sterilize soil thereby eradicating plants or organisms present that could contaminate the findings of experimentation.

The donation of 15 reels of agricultural implement and production marketing film (1920–1930) was a unique addition to the Canada Agriculture Museum's collection. Originally owned and used by an equipment dealer in rural Manitoba, it was acquired and shown by the grandfather of the donor (Dr. H. Porter) at local fairs and agricultural society meetings, both in Manitoba and later in Calgary, Alberta. The films illustrate the manner in which film was used to market new technology and services to farmers in Canada. It is also important documentation for the Museum's artifact holdings.

The Canada Agriculture Museum's collection was also enriched during the fiscal year by the addition of a number of smaller artifacts ancillary to crop production or processing.

The 1994 Nobel Prize in Physics (medal and papers) awarded to Dr. Bertram Brockhouse was donated to the CSTM and is currently exhibited with his triple-axis spectrometer in the Nobel section of *MegaScience*: part of the CSTM's World Year of Physics program. Dr. Brockhouse is a member of the CSTMC Science and Engineering Hall of Fame.

The acquisition of a rib-and-batten-construction decked sailing canoe — built by the Ontario Canoe Company of Peterborough, Ontario around 1890 — greatly enriched the small craft collection. This canoe represents a style, an important construction technique, and a manufacturer hitherto absent among the various small boats preserved at the CSTM. It is an elegant combination of European boatbuilding and sailing practices, with a hull form derived from First Peoples traditions.

The growth in popularity of "home theatres", and their impact on commercial cinemas and domestic leisure activities, is represented by the donation of a multi-component home theatre from 2000–2004. Composed of a high-definition, rear-projection television receiver, video recorder/player, satellite receiver and six-speaker set, it is representative of today's discerning consumer.

The portability of recorded sound has been a key feature of Canadian popular culture since the introduction of the Sony Walkman®. Acquisition of an Apple Computer iPod® (2004) represents the latest icon of popular culture among today's youth. It combines a superior capacity to hold compressed music files, which can be downloaded from a digital network (Internet), with an ultra compact design and an innovative marketing campaign.

Since the invention of decalcomania in the mid-eighteenth century, industrial transfers (decals) have been used to identify and decorate a wide range of manufactured objects, from sewing machines to trains. A collection of 5,803 decals (1880s–1960s), manufactured by Tearne & Sons (Birmingham, England) and Canada Decalcomania Co. (Toronto), was donated to the Museum by Dr. R.A. Stewart of Toronto. The collection was certified by the Canadian Cultural Property Export Review Board for its outstanding significance and national importance.

The art of decalcomania is illustrated in decorative transfers applied to an "Albany" type two-passenger sleigh donated by Mme. M. Lubecki. Believed to have been built by the Miner Carriage Co., Granby, Quebec, at the end of the nineteenth century, the sleigh is in its original condition, and was one of the most popular sleigh styles by the time sleigh use declined in Canada.

The destruction of the original Parliament Building by fire in Ottawa in 1916 created an extraordinary demand for tradespersons in the reconstruction effort. Mr. James Anthony, a carpenter, took part in the building of the Peace Tower, and later refurbishment of the Library of Parliament. His tools and tool chest were donated to the CSTM by his son Jack Anthony.

Commemorative plaques and other institutional memorabilia (1906–1968) — the gift of the Canadian Institute of Mining, Metallury and Petroleum (Montreal) — document the vital role played by the Institute and its professional members in the Canadian mineral, metals and energy industries.

Additional donations to the CSTM's artifact holdings have enriched the domestic technology, printing, photography and medical collections.

Like its sister institutions, the Canada Aviation Museum is continuously striving to improve its various collections to better reflect the importance of science and technology in the development of Canada. In July 2004, the Museum received a Boeing/Vertol CH-113 Labrador. This particular aircraft is the very first of its type to be accepted by the Canadian military, and the last one to be

FIGURE 3 — RESEARCH PLAN 2004–2005

MAJOR SUBJECT	TOPIC	COMPLETED
Agriculture	Food for Health (Exhibition)	Yes
Aviation	Canadian Vickers in the 1920s (Web essay)	Yes
	Bush Flying in Canada (Web essay)	Replaced by Aircraft Manufacturing in Canada
Scientific Instrumentation	Astronomy (Historical Assessment update)	Yes
	Medical Technology II (Historical Assessment)	Yes
Transportation	Highways and Society (Historical Assessment — initiate)	Initiated*
	Ocean Sciences (Historical Assessment — initiate)	Deferred
Multidisciplinary	CSTM/CN Photo Gallery (Web)	Yes
	Canadian Science and Engineering Hall of Fame (Exhibition)	Yes
	CSTM comprehensive research review	Initiated*

**Completion in 2005–2006*

FIGURE 4 — COLLECTION ASSESSMENT PLAN 2004–2005

MAJOR SUBJECT	TOPIC	COMPLETED
Agriculture	Mowers	Yes
Communications	Telegraphy	Delayed to August 2005
Transportation	Navigational Aids	Deferred
Natural Resources	Forest Fire Management	Yes
Scientific Instrumentation	Metrology	Replaced by Physics — Completed

The collection now consists of well over one million items, including: 36,104 artifacts (averaging 2.2 items per artifact record); 38,630 pieces of catalogued trade literature; 104,950 catalogued photographs; and over 41,000 catalogued engineering drawings. The balance is made up largely of uncatalogued photographs and engineering drawings.

FIGURE 5 — COLLECTION SUBJECT AREAS — PERCENTAGE BASED ON THE NUMBER OF ARTIFACTS (TOTAL = 36,104)

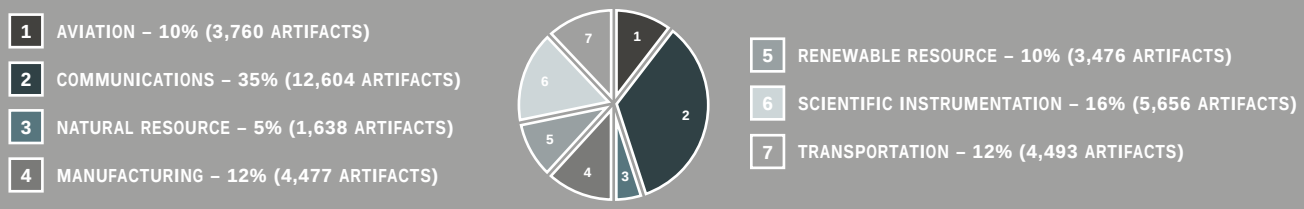


FIGURE 6 — PERCENTAGE OF COLLECTION CATALOGUED TO CSTMC STANDARDS (TARGET = 95%)

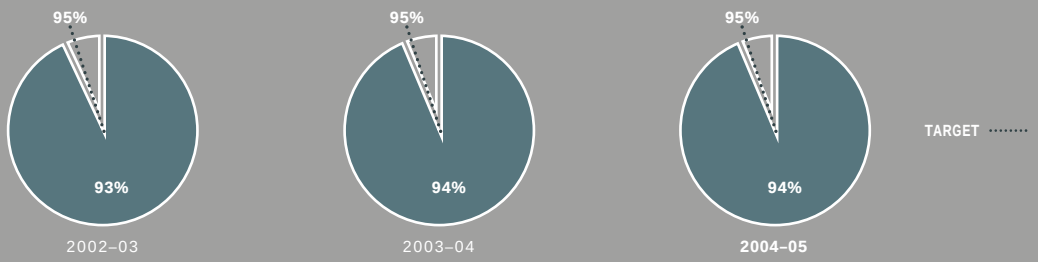
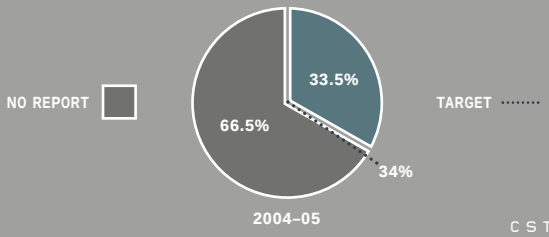
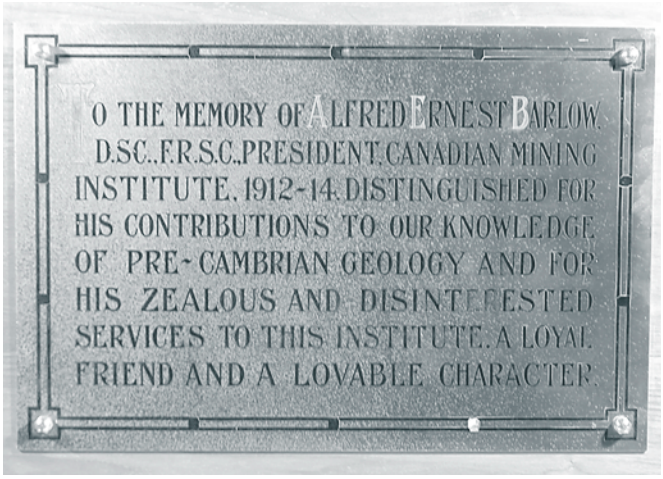


FIGURE 7 — PERCENTAGE OF COLLECTION WITH A CONSERVATION REPORT COMPLETED 2004–2005 (TARGET = 34%)



A BRONZE PLAQUE COMMEMORATING ALFRED ERNEST BARLOW, DONATED BY THE CANADIAN INSTITUTE OF MINING, METALLURGY AND PETROLEUM.



THE TOOLS AND TOOL CHEST OF MR. JAMES ANTHONY USED IN THE RECONSTRUCTION EFFORT OF THE PARLIAMENT BUILDINGS.

retired. The Labradors formed the backbone of the Royal Canadian Air Force and Canadian Forces search-and-rescue units for more than 40 years. The transfer of the Labrador to the Museum will serve as a tribute to the men and women of the search-and-rescue community, who each day risk their lives to save others. The Labrador will be displayed in the revamped Helicopter section of the Museum, beginning this fiscal year.

Another significant acquisition will complement an aircraft from the United States Navy: the Hawker Siddeley AV-8A Harrier attack aircraft. This item is a Rolls-Royce Pegasus Mk. 105 turbofan engine previously used on more recent versions of the Harrier, operated by the Royal Air Force. The Pegasus vectored-thrust turbofan engine is a remarkable piece of engineering. It allows the Harrier to take off and land vertically when required, and propels it at high speed during normal flight. The engine will be displayed near the Harrier at some point in the future.

In support of the heritage collection, the Canada Aviation Museum library — the largest publicly-accessible aviation library in the country — has acquired approximately 500 books from the estate of the late Alfred J. Shortt, Director of Collections and Research at the Museum for many years. Covering a variety of topics, civilian and military, technical and historical, these books are a welcome addition to the library's holdings.

MANAGEMENT

Collection management encompasses the activities required to manage objects accessioned into the collection. These fall into two categories: recordkeeping and conservation.

Recordkeeping

The Corporation maintains records for each item in the collection from three perspectives: location and current museum use, history of the item, and condition. The Corporation maintains rigorous inventory control of all collection items, to ensure that each one can be located at all times. A computerized inventory control system is updated regularly, and tracks whether an item is on loan, on display in an exhibition, or in storage. Documentation for each item includes all original records pertaining to the identity, provenance, and legal title of the item. The item is accurately identified, and information regarding significance, function, operability, history of owners, and use is prepared in a standard format for computerized storage and retrieval.

During the past year, 1,034 artifacts were catalogued, 14 were documented, three were re-catalogued and/or enriched, and the 968 pieces of trade literature were catalogued. A total of 4,709 artifact records were modified, as collection services staff worked diligently to ensure the accuracy of the database prior to its transfer into the new KE Software Collection Management system. Although the Corporation missed its artifact cataloguing target of 95%, it came very close — despite the emphasis on database cleanup — at 94% (see Figure 6). Work also continued on the implementation of the new KE-EMu collection management software.

Conservation

Conservation reports are required for each object, in order to evaluate the physical condition of artifacts, and to define long-term conservation requirements. Conservation reports are intended to be a state-of-the-collection health checklist,which will identify any type of threat to an artifact in time for remedial action to be taken. This reporting provides a benchmark for the condition of an object, both when it was initially evaluated, and following each subsequent use — whether in an exhibition, a program, or for loan purposes. This year, 373 artifacts were examined for the first time.

Conservation efforts during the year supported new exhibitions. New exhibitions included *Polio — 50 Years Later*, and the first two phases of *MegaScience* (Sudbury Neutrino Observatory and Nobel Prize-Winning Canadian Physicists), celebrating the field of physics, at the CSTM. In addition, artifacts were prepared for *Odyssey of light*: a joint venture with the Musée de la civilization in Quebec City, and the Centre des sciences de Montréal. In addition, *One Hundred Years of Science in Agriculture* opened at the Agriculture Museum.

Artifacts were also prepared for over 20 interpretive programs at the three museums. These programs are designed to illustrate various technologies through the use of artifacts from the collection. Some of the artifacts are demonstrated by interpretation or conservation staff. Artifacts demonstrated this past year included a 1908 Buick Roadster, a number of music boxes, and a model of a steam locomotive's automatic stoker. The Shay Locomotive was also successfully operated during July and August on the CSTM's grounds, following extensive work designed to meet the Ontario government's new certification requirements for steam-powered heritage objects.

Conservation staff continued tire replacement on many of the aircraft slated to be moved into the new Aviation Museum storage hangar later this year. Stands are also being made to take the weight off the tires, in order to prolong their life. In addition, conservation work also began on 35 aircraft slated to go on display in the Museum in the area vacated by artifacts moved into the new storage hangar.

Work also began on the Museum's Canadair North Star 1 ST, in collaboration with Project North Star. This aircraft has been stored outside since its acquisition in the 1960s. A number of safety concerns were addressed, including the removal of fire extinguishers and oxygen tanks; in addition, a contractor was hired to remove asbestos insulation. All exterior markings were fully documented before initial polishing of the exterior skin began. The interior was also given a good cleaning, and several components from the cockpit were removed. Work continued on these components within the Museum's conservation labs over the winter.

SHARING KNOWLEDGE

The primary reason for interpreting Canada's scientific and technological heritage is to provide Canadians with meaningful information about themselves and Canada. Just as the Transformation of Canada theme directs research and collection activities, it likewise guides the Corporation in its knowledge-dissemination activities. These typically depict the historical development of science and technology, provide information on objects in the collection, and review relationships between science, technology and Canadian society.

The Corporation seeks to engage Canadians in discovering, considering, and questioning past and present developments in science and technology, and their impact on society and individuals. The Corporation fosters a sense of identity and belonging for all Canadians, as well as pride in Canada's scientific and technological history and achievements. It also encourages active and informed participation by Canadians in the future development of our technological society. The Corporation disseminates knowledge to its audiences in three primary ways: through its museums, its Web sites, and its publications.

Museums

The Corporation manages three museums for the visiting public. The ultimate purpose of a museum is to provide its visitors with learning experiences, and the Corporation builds on the unique characteristics of its three museums to shape these experiences. Museums are places of informal, self-directed learning, imparting knowledge and encouraging curiosity, and they contribute to learning at every stage of life.

Activities at each of the three museums are carried out in support of the following objective:

To provide an enriching museum experience to a broad public audience.

Museums traditionally offer exhibitions, complemented by interpretive programming, to visiting audiences. In selecting exhibition and program ideas, preference is given to those that afford the best opportunity to utilize curatorial expertise and display artifacts from the collection, while also appealing to existing and/or potential visitors. Exhibition topics are selected based on the range of experiences they afford, and must be thought-provoking, invite discovery, and allow for the acquisition of the widest possible range of knowledge. A broad range of interpretive programming is offered to complement exhibitions and to broaden and enhance the visitor experience. These include school programs, demonstrations, workshops, tours, theatrical presentations and special events. All are aimed at increasing the public's understanding of its scientific and technological heritage, while also illustrating the theories and principles of science and technology.

Canada Agriculture Museum

The Canada Agriculture Museum continues to enjoy considerable success as the only museum in Canada that is devoted to interpreting agriculture from a national perspective. Its unique collection of heritage and purebred livestock, and its collection of agricultural technology, form the basis for a range of interactive exhibitions and engaging school and public programs. The Canada Agriculture Museum undertakes historical and material culture research which will aid it in the development of various parts of the collection. This year's focus was on animal-powered implements such as treadmills and horse sweeps, and on the identification of the key artifacts required to interpret this area of agricultural technology in Canada.

OUTREACH

The Canada Agriculture Museum is placing greater emphasis on reaching out to its various audiences across Canada. Museum personnel are closely involved in Canadian and international agricultural organizations. The Museum's Director General is on the Presidium of the International Association of Agriculture Museums (AIMA); serves as a board member of the Association for Living History, Farm and Agriculture Museums (ALHFAM); and also represents the Museum on the Central Experimental Farm Advisory Committee. This past year, a staff member from the Canada Agriculture Museum led a workshop on the interpretation of agricultural equipment at the Annual Conference of ALHFAM in Dearborn, Michigan. The Canada Agriculture Museum was also invited to collaborate with other North American agricultural museums and scholars of agricultural history in sessions presenting the North American perspective on the management and interpretation of twentieth-century agricultural collections at the International Association of Agriculture Museums (AIMA) conference, held in the Czech Republic in September 2004.

During the past year, the Museum took its programming offsite to four different local events. These events were the OAFE General Store for regional teachers, the Carp Fair, the Scouts Canada Open House, and Ottawa's Winterlude.

The World Wide Web is an important outreach tool, and this year the Museum launched a new, updated Web site with greater appeal to a wider cross-section of visitors. This included the addition of a Collection Profile on Dairying Technology, highlighting artifacts from the Museum's collection. The first in a planned series of Web essays was also mounted on the site. It was written to commemorate the 75th anniversary of the Persons Case, and dealt with the pivotal role played by the Federated Women's Institutes in Canadian rural life.

The Museum is also developing a database of Canadian museums with an interest in agricultural topics, as well as affiliated Canadian agricultural organizations. This database will help foster networking and partnering in areas of shared interest, including the development of travelling exhibitions.

EXHIBITIONS

Since early 2003, the Canada Agriculture Museum, in collaboration with the Canadian Institutes of Health Research and other exhibition partners, has been developing a national bilingual travelling exhibition. **Food for Health** will address, from a consumer point of view, concerns and questions that many Canadians have about the safety of their food supply and the role food plays in ensuring good health. The exhibition will provide Canadians with the knowledge to help them protect themselves against food-borne illnesses through safe food-handling practices, and will investigate possible links between diet, physical activity and obesity, and illnesses such as diabetes, heart disease and cancer. At this stage in the project's development, the content research, front-end evaluation, Interpretive Plan and draft exhibition texts have all been completed. To date, the majority of funds required to see the exhibition through to completion has been secured from sponsors. This exhibition is due to open at the Canada Agriculture Museum in March 2006.

The Museum's exhibition **Bread: The Inside Story** closed in October 2003 and was replaced by the travelling exhibition **One Hundred Years of Science in Agriculture**, which opened on March 1, 2004. This travelling exhibition, which will be on display until October 31, 2005, is borrowed from the Musée François-Pilote in La Pocatière, Québec. Now in its fourth year, the Museum's exhibition **Tractors** continues to be a popular draw for visitors of all ages. Due to the Corporation's financial situation, the development of a travelling exhibition on beekeeping technology is currently on hold, and will resume when sponsors have been found to fund the design and fabrication of the exhibition. This exhibition will highlight the development of beekeeping technology in Canada, and the essential role that bees play in agriculture. The majority of artifacts for this exhibition will come from the Perrine collection, which was acquired several years ago.

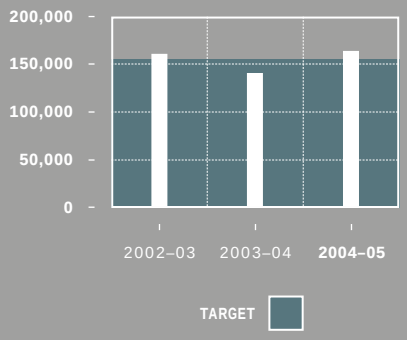
INTERPRETIVE AND SCHOOL PROGRAMS

During the past year, the Museum built upon its successful established programs and presented several original programs which targeted new audiences and involved new partners. Major special events, which have become well-known seasonal outings for visitors, such as Easter on the Farm and the Sheep Shearing Festival, were well-attended. Regular daily interpretation involved bringing visitors face-to-face with farm activities, while also demonstrating food production and preparation. The Day Camp Program — which operated at maximum capacity with four camps over ten weeks — enabled 858 children, ages 4 to 14, to participate in the daily workings of a farm, and continued to be a source of education and interactive fun for the children who attended. As a testament to the day camps' popularity, many children have attended year after year, and have now graduated from our most senior camp. The Museum is confident that the time children spend in the Museum's camps will create memories that will last a lifetime.

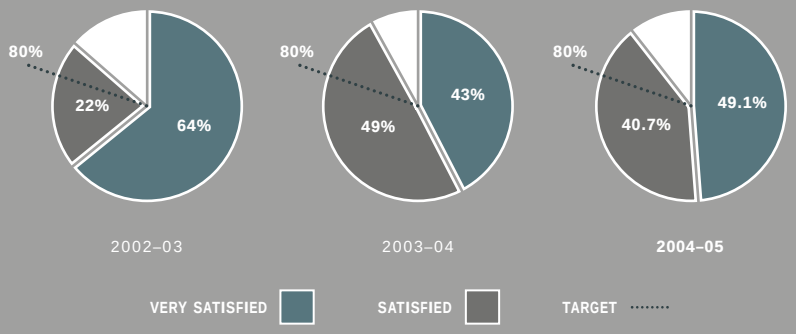
CANADA AGRICULTURE MUSEUM

PERFORMANCE INDICATORS

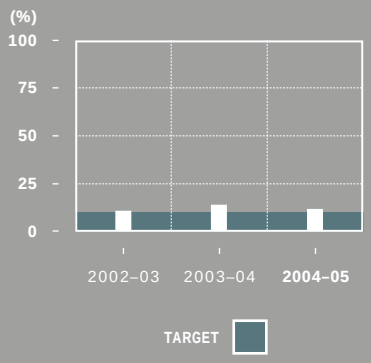
ATTENDANCE
(Target = 155,000)



VISITOR SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)



NUMBER OF VISITS RESULTING FROM SCHOOL GROUPS
(Target = 10%)



TEACHER SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)

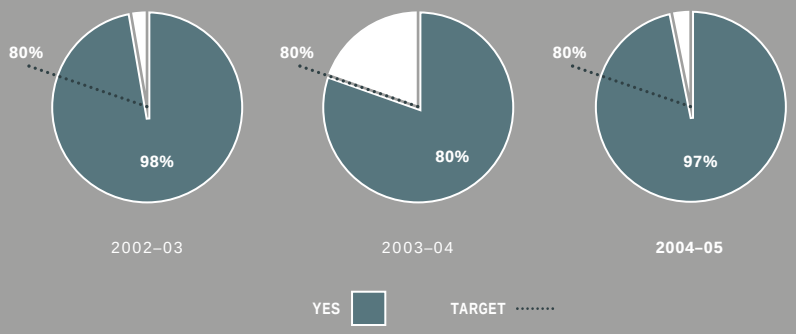


FIGURE 8 — CANADA AGRICULTURE MUSEUM EXHIBITION PLAN 2004–2005

EXHIBITION	SCHEDULE	BUDGET
Food for Health (Interpretative Plan & Preliminary Design)	Yes	Yes

HIGH SCHOOL STUDENTS PARTICIPATING IN A SCHOOL PROGRAM AT CAgM ON GENETICS.

A HERDS PERSON AT MILKING TIME IN THE DAIRY BARN AT CAgM

In its school programming, the Museum continues to sharpen its focus on provincial curriculum links and the Pan-Canadian Protocol. The Museum offers a variety of programs designed both to inform and pique interest, such as Chinese New Year, Spring Chickens, A Handful of Soil and a new program called Chill Out!. Many high schools included visits to the Canada Agriculture Museum as part of their curricula with popular programs such as Ecosystems and Agriculture, and Genetics and Selective Breeding.

FARM OPERATIONS

Improvements undertaken to ensure animal comfort in the Dairy Barn in 2001–2002, and careful control over the cows' feed, have resulted in consistently high levels of milk production. Milk production levels at the Canada Agriculture Museum are currently above industry averages.

In December 2004, the Museum sold its five beef calves through a sealed-bid auction, thereby increasing the revenue received for their sale. Given the current low price per kilogram of beef in the general marketplace, a sealed-bid auction was one way of maximizing the Museum's revenues on the sale of livestock.

In partnership with a local farmer, the Museum has borrowed one of his Charolais beef cows in order to round out the beef cow breeds on display. This cow is treated by the Museum as one of its own, and so far has given birth to two calves while in the Museum's care.

Animal health is a primary concern of the Museum. A Herd Health Protocol has been developed by the Museum's veterinarian in order to proactively administer preventive measures such as vaccinations.

MUSEUM OPERATIONS

Due to a lack of sufficient heated indoor public space, the Canada Agriculture Museum remains unable to offer its high-quality interpretive programs from November through February. For the same reason, the Museum's unheated exhibitions are also closed during the same four winter months. These restrictions have a severe impact on attendance, and limit the Museum's ability to reach more Canadians. It is the Museum's intention to work towards acquiring appropriate facilities which will permit year-round operations. The Museum continues to define its short- and long-term needs, as guided by the outcome of a review of its master plan. Administration Building 94 could potentially house, not only offices, but also more classroom and visitor services spaces. Over the years, the Museum has developed cooperative and mutually beneficial partnerships with a variety of organizations, including Agriculture and Agri-Food Canada, 4-H, and the Canadian Seed Growers Association, to name but a few.

Canada Aviation Museum

The Canada Aviation Museum is recognized as having the most extensive aviation collection in Canada, and one which ranks among the best in the world. The Museum collects artifacts which illustrate the development of the flying machine, both in peacetime and in war, from the pioneer period to the present day. Although the Museum highlights Canadian achievements in aeronautical science and technology, it also includes unique aircraft and other aviation-related artifacts from many other nations, thus enhancing the Museum's international relations.

SOARING TOWARDS THE FUTURE

The year in review was marked by the completion of the Museum's new collection storage facility and an addition designed to house the Museum's library, archives and offices. These new facilities represent just one phase in an ongoing program outlined in a site plan first approved in 1993 and revised in early 2005. Efforts to secure funding support for the remaining phases are underway, with a view to ensuring an enhanced visitor experience and the accommodation of large-scale restoration efforts and new acquisitions. Ultimately, the Museum's goal is to preserve Canada's aviation legacy for future generations, and to acknowledge and celebrate remarkable aeronautical achievements both here and around the world. The next phase of development is aimed to coincide with the 2009 centenary of powered flight in Canada. The highest priority is being accorded to the construction of a restoration hangar capable of accommodating our largest aircraft, along with additional covered storage space for new acquisitions. This will be followed in subsequent phases by an underground link connecting the main Museum building with the storage and restoration facilities, and a new entrance and auditorium for the main building.

PARTNERSHIP AND OUTREACH

Partnership arrangements and outreach activities remained central in helping the Museum meet its mandate as the primary holder and communicator of Canada's aeronautical heritage. This focus is reflected in all of the Museum's programs and relationships at both the national and international levels. Examples are provided in the sections which follow.

The Museum's strongest and most enduring partnership is with the Air Force element of the Canadian Forces. The Museum is home to the RCAF Hall of Honour and the national collection of retired Air Force aircraft, as well as Air Force memorabilia dating back to the First World War. This gives the Museum an important role in explaining the military aspect of Canada's aviation history through its exhibitions, Web site and publications. This role is recognized by the Air Force through the participation of aircraft and personnel in Museum events and programs and through use of the Museum site for military events open to the public. A case in point is a joint initiative to develop the Battle of Britain commemoration every September into a national Air Force Day event, with wide public appeal and major media coverage.

An existing partnership was reinforced during the year by the signing of a five-year agreement between the Museum and the Canadian Warplane Heritage Museum in Hamilton, which will provide the Museum with opportunities to increase awareness of its collection and programs in an important population centre, while also ensuring the continued participation of Warplane Heritage aircraft in Museum special events such as the July 1 flypast.

EXHIBITIONS

The Museum's exhibition program focussed less on the creation of new exhibitions, and more on the transformation of the Museum floor once the new wing becomes available. Although the new aircraft storage wing was not completed during the year, staff dealt with many complex issues concerning the eventual relocation of artifacts into the new wing, as well as the development of an interim floor plan for the Museum's former storage area, to be implemented in 2005–2006. In the meantime, staff are continuing work on the Museum's long-term vision, including the completion of a master interpretation plan, as well as draft plans for exhibit or thematic areas and programming spaces for the Museum floor. The Museum's goal is to implement this long-term vision by 2009.

With some 4,000 m^2 of additional display space, and the numerous possibilities this implies, the approved interim floor plan envisages the creation of a major new Jet island which will present the aircraft of the Cold War era. In addition, much more of the Museum's fine collection of general aviation aircraft will be displayed together for the first time. A new helicopter island was also included in the plans, allowing some newer acquisitions to be displayed, including the recently acquired Labrador. The Museum is, in fact, working on ways of making the Labrador helicopter accessible to all visitors. Although staff has long recognized that visitors want to climb inside the aircraft, this would nevertheless be a first for the Museum. Altogether, some 30 "new" aircraft will be displayed in the Museum.

Significant work was also undertaken on initiatives which would allow visitors to see even more of the collection through guided tours of the new building. Plans were developed to begin the process of carefully arranging aircraft to meet the dual objectives of efficient and safe storage as well as visitor interest, both on tours and views of the new wing's interior. All these plans will be implemented in the upcoming fiscal year.

EDUCATION SERVICES AND COMMUNITY PROGRAMS

The Museum continued to provide visitors with a quality museum experience through its creative programs. During the summer of 2004, education staff provided day camps to hundreds of children, and presented 15 different school programs addressing the needs of various regional school curricula. Programs such as Northern Wings, Cool Summer workshops, Heroes and Aces, Amazing Air, The Weather... Up in the Air, and a dynamic historical presentation of

Canadian aviation highlights are particularly popular among our student visitors. School programs maintained a consistently high teacher satisfaction rating of 96%.

Numerous requests for information were fielded by the Education Services and Community Programs section this year. A growing number of parents, teachers and students are finding the Museum through its Web site, and are looking for help in planning aviation-related units or completing projects. This past year, Museum staff shared programming information with teachers from different regions; the on-line activity kit alone was downloaded over 15,000 times.

Another mutually beneficial collaboration this past year occurred as part of March Break programming, when the Canadian Forces participated in the Museum's annual Lego® contest, performed spectacular demonstrations with a Griffon Helicopter, signed autographs, and provided the public with opportunities to visit the helicopter itself.

Museum staff continued to work with the Airport Authority at the Macdonald-Cartier International Airport, offering guided tours of the airport facility to school and community groups. This year the Museum expanded this service to include tours for high school groups. Aerotech 2 and 3 summer day camp groups were able to visit the airport, including the emergency services facility and the Transport Canada facility.

A new concept was successfully implemented called "Wheels-Up!" providing bus transportation to schools in the Ottawa-Carleton Board of Education identified as "Beacon", or disadvantaged, schools. This concept allowed participation by children who would have otherwise been unable to visit the Museum. Another outreach activity was the production of a small artifact display on Louis Bisson, a well-known local bush pilot. The display was presented at the Gatineau Library in recognition of their 50th anniversary.

COMMUNICATIONS AND MARKETING

The Museum has been successful again this year in attracting more visitors, despite strong competition from other events and museums. In fact, the Corporate Plan assumes that the attendance levels will increase steadily by 4% every year up until 2009: the centennial of the first powered flight in Canada, when projected attendance is estimated at 187,175 visitors.

The Museum's venue affords regular opportunities for the organization to interact with directly related constituencies and the broader community in which it exists. Museum-driven events such as Canada Day celebrations, the Fly-In Breakfast and the Silver Dart Anniversary events incorporate successful participation of aviation-related partners from the Canadian Forces Snowbirds and the Experimental Aircraft Association, while local partners, including educational institutions, created opportunities to highlight various aspects of Canadian culture, such as the traditional Celtic heritage of Canada's Atlantic provinces.

Moreover, the venue and overall site permit the staging of partnership events such as the overwhelmingly successful Battle of Britain Parade, which serves to commemorate airmen and airwomen of all generations. And how can we forget the dramatic arrival of new acquisitions, as exemplified by the Labrador helicopter landing and ceremony in July 2004?

The Museum's Facility Rentals program is instrumental, not only in generating revenues, but also in offering the Museum exposure to a wide variety of markets, ranging from local charitable and social events to corporate presentations and awards. Through this important means, new partners are regularly introduced and developed for the Museum.

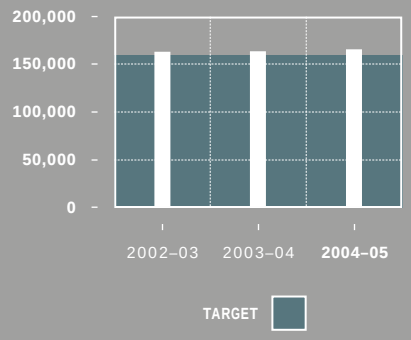
↴ THE HONOURABLE MAURIL BÉLANGER, ASSOCIATE MINISTER OF NATIONAL DEFENCE AND MR ANTHONY SMYTH, DIRECTOR GENERAL CAvM AT THE HAND-OVER CEREMONY OF THE CH-113 LABRADOR HELICOPTER, WITH MEMBERS OF THE CANADIAN FORCES AND THE NATIONAL SEARCH AND RESCUE SECRETARIAT.

↴ DURING MARCH BREAK, THE MUSEUM'S VISITORS HAD THE OPPORTUNITY TO WITNESS A CH-146 GRIFFON HELICOPTER SEARCH AND RESCUE DEMONSTRATION BY CANADIAN FORCES 439TH COMBAT SUPPORT SQUADRON.

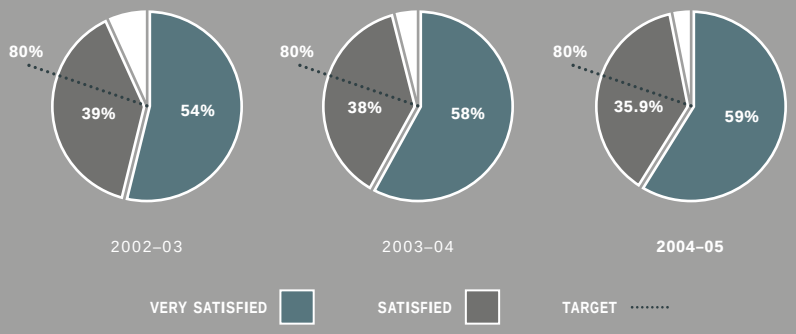
CANADA AVIATION MUSEUM

PERFORMANCE INDICATORS

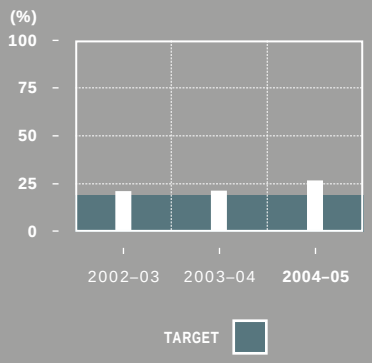
ATTENDANCE
(Target = 160,000)



VISITOR SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)



NUMBER OF VISITS RESULTING FROM SCHOOL GROUPS
(Target = 19%)



TEACHER SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)

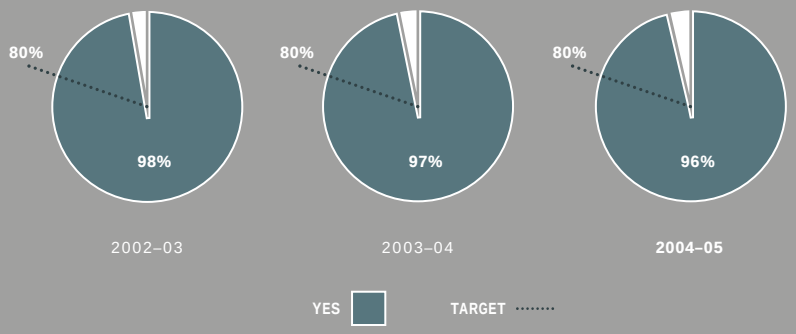


FIGURE 9 — CANADA AVIATION MUSEUM EXHIBITION PLAN 2004–2005

EXHIBITION	SCHEDULE	BUDGET
Comprehensive Floor Review	On schedule — three-year project	Yes

Expanding partnership relations and reaching out to Canadians from across the country are continually explored through participation in the federal family of attractions that welcome Canadians to the National Capital Region via the new Museum passport product or through active representation at national events such as the 2004 Grey Cup.

The Museum's Web site has provided a communications vehicle which carries messages to all Museum markets, and continues to grow in importance as a marketing and outreach strategy.

The ongoing responsibility of the Museum, as guardian of the national aeronautical collection and a recognized source of expertise, is profound and well understood. Welcoming colleagues from the Canadian Aeronautical Preservation Association to the Museum, for their annual general meeting and conference in October 2004, strengthened this recognition, which was complemented by the opportunity to introduce participants to other members of the federal family, such as the Department of National Defence Directorate of History and Heritage, and the Department of Canadian Heritage's Cultural Affairs Directorate.

Canada Science and Technology Museum

In 2004–2005, all public programming activities at the Canada Science and Technology Museum were focussed on achieving results that contribute to the objectives laid out in the 2004–2009 Corporate Plan. To support the Accommodation objective, the Canada Science and Technology Museum continued to advance its role as a leader in interactive exhibition development, and to delight visitors with engaging science and technology programming. Program development and delivery relied heavily on collaboration and partnerships: a key component of the National Outreach objective. Partnerships and outreach activities also contributed to improving the Corporation's financial position.

BRIDGING THE PHYSICAL AND THE VIRTUAL

The Canada Science and Technology Museum was one of six Canadian institutions which worked with the Department of Canadian Heritage to develop content for an exciting networked environment accessed from home computers or from "Cyber Explorer" exhibitions. This interactive network not only celebrates Canadian diversity, but also provides a place in which players can create a digital persona and explore Canadian regions and virtual museums, or visit the Canada Pavilion at Expo 2005 in Aichi, Japan. The Museum contributed information and games inspired by its **Innovation Canada** exhibition.

This year's trailblazing work on a new digital networks exhibit in the larger **Nortel Connexions** exhibition garnered international attention. It also led to a CSTM contract with an exhibition development group working with Nortel in Richardson, Texas, to develop a similar exhibition at The Science Place in Dallas. **NetWorks! Our World of Communications** opened to the public in July 2004, and features six of the interactive learning modules developed at the Canada Science and Technology Museum. Revenue generated by that project enabled the CSTM to add new features to its own digital networks exhibition over the past year.

REACHING OUT TO DIVERSE AUDIENCES

School programs and summer camps continued to be the principal means of revenue generation among the CSTM's directed programming offerings, with sponsored exhibitions such as **Nortel Connexions** also playing a significant role in revenue generation. These are mature programs, directed at a longstanding market base; while supporting these, the Museum made a deliberate effort in 2004–2005 to expand its reach and offerings into different markets.

Polio — 50 Years Later — An early highlight of 2004 was the presentation of an exhibition celebrating a half-century of valiant Canadian efforts to eradicate polio. Developed by the CSTM in association with partners from the public and private sectors, this exhibition generated excellent response from visitors, polio survivors and their families, dignitaries, professional colleagues and the media. The exhibition was also displayed in Montreal, and an update and future travelling version are under consideration.

Technology and the Body — Specialized public programming was developed to raise awareness of the Technology and the Body Conference held at the CSTM in October 2004. Issues explored at the conference ranged from physical disabilities and prosthetics to adornment, body enhancement and athletics — all reflected in public exhibition spaces throughout the Museum.

Collection Tours — The CSTM offered programmed tours of its collection storage facilities throughout the summer, including during Ottawa's annual "open house" weekend Doors Open Ottawa. These two initiatives were very well received and will continue as annual programs.

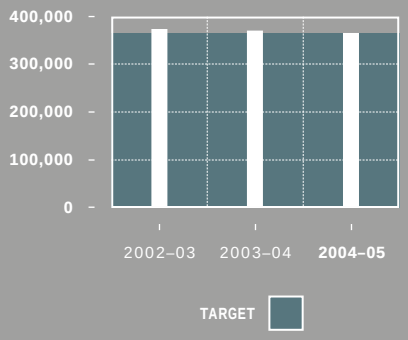
Women's History Month — In 2004, for the first time, the Museum presented special programming for Women's History Month, with an exhibition highlighting Canadian milestones for women in science and technology.

↓ THE HON. HÉLÈNE CHALIFOUR SCHERRER, MINISTER OF CANADIAN HERITAGE, AND MR. CHRISTOPHER J. TERRY AT THE OPENING OF CSTM'S **POLIO — 50 YEARS LATER**.

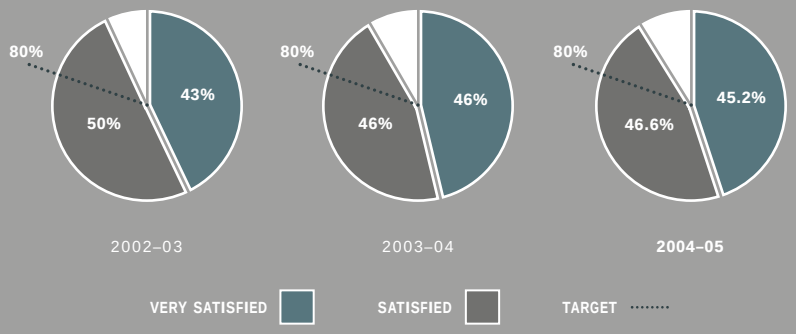
CANADA SCIENCE AND TECHNOLOGY MUSEUM

PERFORMANCE INDICATORS

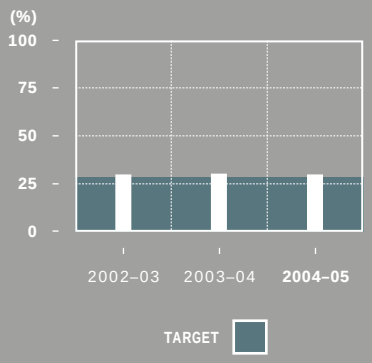
ATTENDANCE
(Target = 365,000)



VISITOR SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)



NUMBER OF VISITS RESULTING FROM SCHOOL GROUPS
(Target = 28%)



TEACHER SATISFACTION
"OVERALL, I AM SATISFIED WITH MY VISIT"
(Target = 80%)

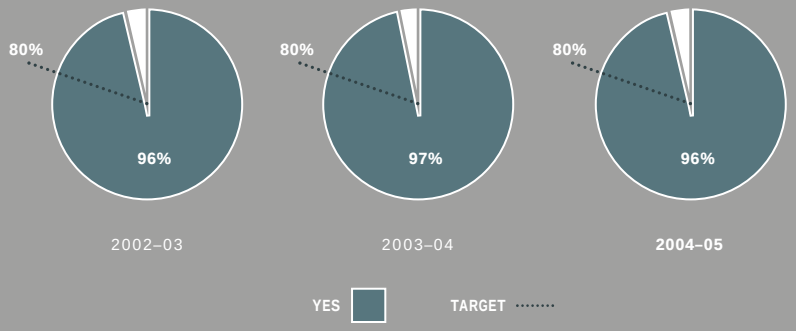


FIGURE 10 — CANADA SCIENCE AND TECHNOLOGY MUSEUM EXHIBITION PLAN 2004–2005

EXHIBITION	SCHEDULE	BUDGET
Log On (Replacement)	Yes	Yes
Fading Away: Saving Your Electronic Memories (preparation to travel)	Yes	Yes
Innovation Canada: Canadian Scienceand Engineering Hall of Fame (Update)	Yes	Yes
Canada in Space (Update)	Update cancelled	(see Note #1)
Canadian Research & Development — Pure & Applied Science (see Note #2)	Yes	Yes

Note #1: Unanticipated opportunities arose to update other exhibition areas — namely **Nortel Connexions** and a programming space formerly holding an exhibition on Energy, which was reconfigured to accommodate three new classrooms, a new Crazy Kitchen, and several interactive exhibits in the highly popular new Science Zone. These opportunities were identified as offering higher return with existing and potential markets; thus, the resources initially identified for the **Canada in Space** update were reallocated. The CSTM hopes to work with the Canadian Space Agency to accommodate an update to **Canada in Space** in a future work-planning session.

Note #2: 2005 is the International Year of Physics, and the CSTM is celebrating with a year-long series of exhibitions and events relating to physics themes. The first four instalments — an exhibition on the Sudbury Neutrino Observatory, a two-week program called *Seeing the Unseen*, an installation of significant artifacts from the Museum's collection representing the work of Nobel prize-winning Canadian Physicists, and a March Break program called *Everyday Einstein* — were launched in 2004–2005.

↴ THE LATE DR. BERTRAM BROCKHOUSE'S 1994 NOBEL PRIZE, BOTH MEDAL AND CERTIFICATE, WERE PRESENTED BY HIS WIFE, MRS. DORIS BROCKHOUSE TO CSTM. THEY ARE ON DISPLAY IN THE **MEGASCIENCE** EXHIBITION.

Multiculturalism, Multiple Perspectives — The CSTM continues to experiment with ways of considering science and technology themes from a variety of cultural perspectives. This year's Multiculturalism Day at the Museum was celebrated with legends and stories about stars and constellations, drawn from different cultures. The CSTM has also begun working with members of Aboriginal communities to develop an exhibition concept around the ways in which different cultures view their geographical place on Earth. The upcoming **Clash of Perspectives** exhibition will consider mapmaking as a technical and cultural enterprise, with an emphasis on the changing relationships between Aboriginal peoples and mapmakers in Canada

Preschool Programs — Recognizing the potential market among organized preschool groups, in 2004 the Museum introduced three new workshop programs specially adapted for preschoolers.

Science Zone — Appealing to "kids" of any age, the CSTM has created a "best of" gallery showcasing favourite CSTM interactive exhibits which visitors have enjoyed over the course of the Museum's 37-year history. A renovated Crazy Kitchen, virtual games, rides and hands-on science interactives are featured in the new Science Zone.

Canadian Science and Engineering Hall of Fame — Astronomer Helen Sawyer Hogg (1905–1993), palaeobotanist John William Dawson (1820–1899), and chemist Raymond Urgel Lemieux (1920–2000) were honoured and welcomed into the Hall of Fame in May 2004, in an induction ceremony held at the Museum. Several generations of Canadians, from grandparents to adolescents, were represented on the speakers' podium and in the audience.

A COMMITMENT TO COLLABORATION AND PARTNERSHIPS

The CSTM took a bold step into the world of interpreting hard science this year, with a series of exhibitions and events billed as **MegaScience**. This ambitious program was realized as a result of relationships forged with the Canadian Association of Physicists, the Sudbury Neutrino Observatory, Atomic Energy of Canada Ltd., universities and other leading research institutions. Through **MegaScience**, the Museum celebrates the 2005 International Year of Physics with exhibitions and public events that began in December 2004 and will wrap up with unveiling of some very special artifact exhibits in June 2005.

The CSTM engaged in numerous programming activities which capitalized on longstanding relationships, while also resulting in some new cooperative projects. Programming partners for 2004 included:

1. volunteer groups of Canada such as the Royal Astronomical Society of Canada, the Bytown Railway Society, and the Ottawa Valley Mobile Radio Club;
2. public institutions, departments and agencies such as the National Research Council, IEE/IEEE, the Chemical Institute of Canada, the Canada Foundation for Innovation, museums and science centres across Canada, federal government departments and several Canadian universities; and
3. private groups and individuals such as Nortel, the Ottawa Children's Festival, Inco Limited, professional musicians and authors.

Annual events such as Marsville, the prestigious Faraday Lecture broadcast, Lighthouse Days and Railway Weekend were complemented with experimental new collaborative projects including a Music Technology event, a Smart Energy Fair and two book launch lectures.

The CSTM also entered into a new relationship with Transport Canada, jointly developing a showcase for the newest "crash test dummy" technology. **WorldSID: A Very Smart Dummy!** was exhibited for three months, and conveyed important social messaging about road safety while highlighting Canadian contributions to global science and technology initiatives. The costs of exhibition development were shared by the two partners; as such, this project allowed the CSTM to prepare a very cost-effective exhibition, and served as a positive model for future collaborative programming ventures.

SHARING EXPERTISE

Throughout the year, the Canada Science and Technology Museum was frequently called upon to share its exhibition and programming expertise through a number of professional networking outlets. For example — among many other committee and association activities — CSTM Exhibition and Programs staff contributed to the Canadian Association of Science Centres' Great Canadian Science Adventure project, which was presented at the Canadian Museums Association Annual Conference in May 2004 and participated on the selection committee for the Prime Minister's Award for Teaching Excellence.

WEB SITES

Electronic information technologies in general, and the World Wide Web in particular, continue to serve as major dissemination tools for museums. These technologies provide important opportunities for museums to reach greater audiences than could ever be welcomed to their physical sites. The Web also provides new ways for museums to facilitate public access to their collections and research.

The Corporation's use of the Web is carried out in support of the following objective:

To make the Corporation's intellectual assets available to a national and international audience.

In pursuing this objective, the Corporation has focussed on three principal strategic goals:

1 providing the public with direct access to the collection and research results;
2 offering new products which take advantage of the unique properties of the Internet as a communications medium; and
3 promoting the Corporation's museums and services to a wider and more clearly defined audience.

The Corporation's Web sites continue to be popular, with 1.9 million Web visits during the year. Of particular note is growing interest in the CN Images of Canada Web Gallery, featuring the CN archival collection housed at the CSTM. The Gallery was expanded during the year with the addition of a new Industry section and other enhancements. The Gallery saw an 80% increase in Web user sessions and a doubling in the average visit duration, demonstrating a continued, strong interest in this engaging Web feature. Also of note, visits to the Canada Aviation Museum Web site climbed significantly during the course of the year, suggesting greater familiarity amongst visitors with the site's updated design and streamlined navigation.

The Corporation continues to provide the public with direct access to the collection and research results. A number of new essays were made available on the Web: "For Home and Country — The Role of the Federated Woman's Institute in Rural Canada", and a new essay on Dairying, are new features of the Canada Agriculture Museum. In addition, two *Collection Profiles*, "Industrial Transfers and the Art of Decalcomania" and "The Dominion Observatory — 100th Anniversary", were developed for the Canada Science and Technology Museum site.

The Corporation continues its efforts to provide access to its rich archival collections. As noted above, the archival content of the CN Images of Canada Gallery was expanded. The Corporation also initiated a project to bring other significant CSTM archival image collections on-line, with the support of the Canadian Culture On-Line Program (CCOP). This project is well underway, and will be launched in 2005–2006

The Corporation continues to offer new products which take advantage of the unique properties of the Internet as a communications medium. The Corporation is a contributing participant in the Canada Interactive Network (I-Net) for Expo 2005 in Aichi, Japan. The Corporation also developed significant content on Canadian inventors and inventions to contribute to the I-Net, which can be experienced from Cyber Explorer stations at Expo 2005 in Japan, at the Canada Science and Technology Museum and other Canadian museums, from schools across the country, as well as from individual Internet connections across Canada or around the world.

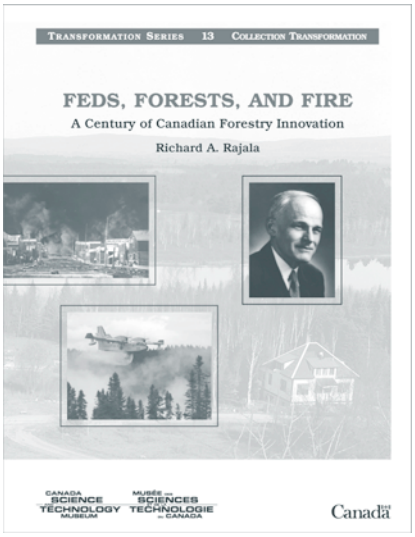
Two popular games within the CSTM Kid's Zone — "Made in Canada" and "House of Innovation" — have been improved, and a new game on Canadian invention, called "Time Machine", has been added. These games are now featured in other settings, such as at the Marshall McLuhan Salon Cyber Kiosk at the Canadian Embassy in Germany. They have also been submitted for an upcoming CD-ROM produced with the Canadian Association of Science Centres and *Canadian Geographic* magazine.

The Corporation enabled visitors to follow construction of the new collection storage wing at the Canada Aviation Museum, with a Web cam that showed the progress of construction to visitors on the Web.

The Corporation continues to engage both wider and more clearly defined audiences. The Canada Agriculture Museum Web site was relaunched at the end of the year, with a new look and feel designed to appeal to a wider range of markets.

The 2004 Technology and the Body conference, hosted at the CSTM, was promoted in part via the CSTM Web site, and attendees were able to register for the conference on-line using the Corporation's e-commerce engine. The CSTM also announced the new Canada Science and Engineering Hall of Fame inductions online in May of 2004.

↴ TRANSFORMATION #13 — *FEDS, FORESTS, AND FIRE: A CENTURY OF CANADIAN FORESTRY*, CSTMs NEWEST PUBLICATION.



↴ MATERIAL HISTORY REVUE #60

New Web entry points (domain names) were created for the Corporation's on-line boutiques (aeronautica.technomuses.ca, boutique.technomuses.ca), promoting easier access for cybershoppers.

The Corporation now allows donors to target their on-line donations to special appeals, and reinforced these appeals with on-line letters to support the Shay locomotive at the Canada Science and Technology Museum and the Orchard tractor at the Canada Agriculture Museum. The Corporation also entered into a Web sponsorship arrangement with Desjardins Online Solutions, which now sponsors the CSTMC's corporate Web site.

PUBLICATIONS

The accumulated knowledge resulting from research, and from collection and preservation activities, must be shared with the world at large, in order to promote understanding of Canada's scientific and technological heritage. This knowledge is of value to museums, researchers, and interested members of the public, both in Canada and abroad. Publications remain an effective method of sharing this information.

Publication activities are carried out in support of the following objective:

To make the Corporation's knowledge base available to a national and international audience.

Transformation Series 13 was completed for summer release. The title *Feds, Forests, and Fire: A Century of Canadian Forestry Innovation* was originally authored by Dr. Richard Rajala as a CSTM historical assessment, and supports the Museum's exhibition plan for a forestry exhibition.

Two issues of **the Canada Science and Technology Museum** journal *Material History Review (MHR)* were published during the year: issues 59 and 60, the latter containing staff book reviews, as well as a research report on the "Painter" or "Tyee" boat, based on a CSTM/Carleton University student placement.

CSTM and CSTMC staff met with representatives of Cape Breton University, Nova Scotia, in February to discuss the transfer of *MHR* to the university press at the end of 2005–2006. CSTM has published *MHR* since 1986 and will investigate ways to maintain a working partnership with the new publishers, which would effectively demonstrate the Museum's enduring interest in material culture studies.

The Dominion Observatory — 100th Anniversary is the title of this year's contribution to the Museum's popular Web essay series, *Collection Profiles*. It is a tribute to the 100th anniversary of the Dominion Observatory, as well as to the World Year of Physics.

Throughout the year, Canada Aviation Museum staff continued intensive work on a book about the history of aviation in Canada, illustrated with examples from the Museum's collections. The work is scheduled to be published by Douglas & McIntyre of Vancouver in 2006.

Another 600 images were posted to the CN Images of Canada Gallery this year, bringing the total number of images offered by the Gallery to more than 5,600. This number exceeds the amount projected for completion during the year. In association with this project, CSTM Library and Information Services staff has been active in identifying the cellulose nitrate and cellulose acetate film stock in the photographic collection, to ensure its proper storage.

SUPPORT ACTIVITIES

A number of activities are carried out in support of the Corporation's museological activities. These include revenue generation, facilities management, informatics and administration.

REVENUE GENERATION

Revenue generation provides a means by which the Corporation can supplement its government appropriation, thereby contributing to the fulfillment of its mandate. The success of revenue-generating initiatives depends on a sound knowledge of markets, and the development of attractive and saleable products.

Revenue-generating activities can also help the Corporation to establish links with its supporters and with various communities. The Corporation and its museums can benefit from strengthening these alliances, whether to individuals, through activities such as its membership program, or to the corporate sector through sponsorship initiatives.

Revenue-generating activities are carried out in support of the following objective:

To increase the financial resources available to the Corporation for the fulfillment of its mandate.

The Corporation continues to supplement its operating budget from admissions, the sale of its products and services, and sponsorships and donations. The Corporation also generates resources (services and money) through the active solicitation of volunteers and members. It will continue to charge appropriate admission fees in light of factors such as increasing costs, product improvement and market tolerance. Figure 12 identifies areas of revenue generation, and performance achieved against established targets.

Total revenues for the year were $4.178 million, exceeding the revenue target of $4.115 million. This total was 1.5% higher than the target, on target with last year despite program cancellations and reductions in public visiting hours: measures taken to address budgetary pressures.

Other revenue includes revenues from the sale of farm products (mainly milk) at the Canada Agriculture Museum, and from programs such as the Air Experience at the Canada Aviation Museum, and travelling exhibitions.

E-commerce sales from the Corporation's Web sites have increased due to advertising in magazines/newspapers as well as word-of-mouth from satisfied customers. The Corporation's participation in *Selections*, the Canadian Museum Association's mail-order catalogue, resulted in the best year yet, exceeding revenue projections of $64,000 for the year.

Digital Technology Equipment sales have consisted mainly of repeat clients. A review of the project will need to be undertaken to reassess its viability within our available resources, and available expertise.

Total income recognized from Corporate Development activities, which includes membership, sponsorship and philanthropic fundraising, was $555,000.

The Corporation is currently servicing sponsorship agreements with cash values totaling $1,667,000 in rights fees. Of this total, the Corporation recognized approximately $265,000 during this reporting year. At the closing of the reporting year there remained approximately $775,000 in deferred income associated with these contractually signed sponsorship agreements, which the Corporation will recognize as income in future years.

In fundraising, the Corporation has successfully completed its eighth annual appeal for the Canada Aviation Museum, and conducted donations efforts for both the Canada Science and Technology Museum and the Canada Agriculture Museum. It is worth noting that the Corporation surpassed the aggregate total of $800,000 in donations from Canada Aviation Museum annual donors. In collaboration with the Project North Star Association, the Corporation's Fundraising Office assisted in the organizing of the first annual fundraising event in support of the restoration of the Canada Aviation Museum's Canadair C-54GM North Star 1 ST aircraft.

FIGURE 12 — REVENUE 2004–2005 (in thousands of dollars)

	TARGET	ACTUAL
Cost Recoveries		
— Admissions & Programs	$ 1,695	$ 1,773
— Other	540	605
Commercial Operations	1,100	1033
Corporate Development	600	555
Interest	180	212
Total	**$ 4,115**	**$ 4,178**

MEMBERS AND FAMILIES PARTICIPATED IN A WORKSHOP OFFERED IN COLLABORATION WITH THE EXPERIMENTAL AIRCRAFT ASSOCIATION DURING THE *SILVER DART* ANNIVERSARY AND MEMBER'S APPRECIATION DAY IN FEBRUARY.

CHILDREN ATTENDING THE SUMMER CAMP PROGRAM AT CAgM TAKE PART IN A REAL WORKING FARM.

The Membership Program continued to grow during this fiscal year, enjoying increases in both its membership base and its revenues. For the second consecutive year, the Membership Program set a new revenue record for the program, generating over $230,000. This growth continues to be the result of increased membership promotions and effective renewal campaigns. In the category of paid visits by the local general public, members continue to account for a large percentage of the Corporation's local visits. The Membership Office continues to generate revenue, encourage attendance, support public programming and cultivate continued support and patronage for each of the three Museums by coordinating Members' Only events, promoting all museum activities through mass mailings, e-commerce, encouraging public program and workshop registrations with electronic communications, and supporting local community goodwill and public relations initiatives.

During the past fiscal year, the Corporation's fundraising and membership programs improved the online giving and membership sales options, in order to capitalize on increased visitation to the Corporation's three Web sites. Corporate Development will continue to work with various areas of the Corporation to further develop these strategies.

FACILITIES

Facilities are an integral part of museum operations. They do more than house staff; they also provide a venue for the public, and housing for the collection.

Facilities have a profound effect on museum visitation. Appropriate museum architecture attracts visitors, contributes to the actual museum experience, and becomes part of an institution's public image, as a symbol of its mandate. A large number of comments by visitors allude to satisfaction or dissatisfaction with the quality of the Corporation's facilities and related services. Providing services for museum visitors requires special efforts not associated with office space.

Similarly, the provision of appropriate collection storage is essential for the long-term safeguarding of the collection. This requires control over all environmental factors which can become agents of deterioration. The size of some artifacts in the collection also raises specific needs in terms of access, and the ability to move these artifacts when required.

Facility activities are carried out in support of the following objective:

To provide quality venues for public programming activities and protection of the collection, and to promote operational effectiveness.

The Corporation occupies a total of 61,530 square metres, at a cost of $108 per square metre, which was 5% above the established target of $105 for the year. Increased property taxes and increased utility costs where the main contributing factors.

Lease negotiations for the office/artifact storage building at 2380 Lancaster Road began with a full market analysis through the support of a tenant representative. The new lease will be finalized in 2005–2006. The Corporation has begun to convert all buildings to a net-net lease approach, allowing it to better manage the property and ensure that its needs are met, while also benefitting from gains in efficiency. This approach was also being finalized at 2421 Lancaster, with some owner deficiencies still needing to be resolved to achieve the full potential of $50,000 in annual cost reductions.

Cleanliness is one of the most important visitor issues, and has a direct impact on the facilities management group. A full review of visitor standards provided valuable input on the definition of a new scope of work for the contracting of this service. The new contract has had a positive impact on visitor satisfaction.

Collection accommodation standards are being reviewed by museum experts in this field. The facilities group has implemented a base system to monitor all CSTMC storage and accommodation facilities and try to meet these standards within the limits of these warehouse-based structures.

An operating plan for the new library, archives and administration building at the Canada Aviation Museum has been prepared. At present, however, the building can only be maintained at the lowest acceptable standards, as the Corporation has not yet been successful in securing any funding for these incremental costs.

INFORMATICS

The CSTMC Informatics function includes the management and support of computer and information technology, and related services such as monitoring technology trends, advising the Corporation on new technologies, and technology assessment, evaluation and selection.

Informatics activities are carried out in support of the following objective:

To ensure the availability, integrity and appropriate confidentiality of the Corporation's electronic information and communication resources.

The Corporation exceeded its aggressive 2004–2005 targets for removal of older, less secure desktops, with 97% of workstations now meeting the Corporate hardware standard, and 96% meeting the Corporation's operating system and software standard.

The Corporation also began implementing new operating systems for network servers, upgrading key information systems for functions such as Finance, Human Resources, E-mail, Workflow, Collaboration, and Collections Management. The Corporation invested in scalable networked storage, to improve the management of data in expanding digital projects, and has also conducted an independent review of its data network infrastructure, in preparation for an upgrade of its network directory services early next year.

Additional improvements were made to the Corporation's data network. A new, secondary server room was constructed, within the new administrative wing of the Canada Aviation Museum. This new facility greatly improves the housing of information systems for the Museum, and affords new opportunities for disaster recovery and business continuity for the Corporation.

The Corporation developed a new Intranet Web portal, with a user- and service-focussed designed. The portal will be launched early in 2005–2006 with the addition of new content contributed from throughout the Corporation.

Improvements were made to Internet services that support the Web, by arranging DNS services with backup redundancy. The Corporation continues to assess the marketplace for comprehensive Web content management systems, and is also increasing use of databases to manage its Web site content, both on the Internet and on the internal Intranet. This will continue to be a priority in 2005–2006.

Informatics staff has been involved in a range of Web projects, with the goal of enhancing on-line access to the Corporation's collections. Updates were made to Informatics positions to reflect the increasingly important strategic role that the Web plays in fulfilling the Corporation's mandate.

ADMINISTRATION

Administrative activities include the provision of advice, support services and control of resources. The Corporation endeavours to optimize its investment in administrative activities by striking a balance between cost and quality-of-service.

Administrative activities are carried out in support of the following objective:

To provide effective and efficient services within a framework of appropriate management control.

As a federal Crown corporation, the CSTMC is subject to numerous pieces of legislation and many regulations and government policies. The Corporation's strategy may be summarized as good corporate citizenship; that is, the Corporation strives to ensure that it operates effectively, efficiently and economically in accordance with legislative requirements, sound business practices and ethical management standards. The Corporation continued to refine its records management process to provide a structure and system to meet needs arising from the growth of electronic records, while also responding to requirements introduced by the **Library and Archives Canada**. Efficiencies gained by streamlining processes through on-line applications were the main focus during the fiscal year.

The Corporation continued to move towards the finalization of a new classification system. The new system was successfully validated for compliance with Pay Equity legislation. Completed elements included the evaluation of a position questionnaire completed by staff, and the establishment of point values and the weighting of each element. The point cut-off for levels, and the number of levels, will be finalized in April 2005 with the determination of salary scales and conversion rules to be negotiated as part of a new collective agreement.

The Corporation was also successful in the implementation of an action plan, achieving full compliance with requirements of the Canadian Human Rights Commission under its employment equity program and practices.

The Human Resources Division made good progress in implementing its Human Resources Information System. Customizing of the remaining modules — personal history, leave and attendance, and training — was completed, and integration with the payroll module was scheduled for early in the upcoming fiscal year.

The Corporation set an objective of limiting its administrative overhead to 18% (including the core administrative functions of Finance, Human Resources, and Administrative Services, as well as the Directorate and Board of Trustees, and those Facilities, Protection and Common Services costs which cannot be attributed to any operational activity). This year's actual result was 19%, which was slightly higher than the target.

INTERNAL AUDIT AND EVALUATION

INTERNAL AUDIT

The Canada Science and Technology Museum Corporation, in accordance with Section 131(1) of the *Financial Administration Act*, has an annual internal audit program which is carried out by contract auditors. This program is supplemented by an annual audit of the Corporation's financial statements by the Auditor General of Canada.

As part of its internal audit program, the Corporation completed an audit on its security program. The Treasury Board requires the conducting of a periodic internal audit to evaluate the effectiveness of the security function and assess the compliance of the management control framework and operational activities with the Government Security Policy. In line with the GSP policy, the Canada Science and Technology Museum Corporation regularly performs audits of its security programs and activities to help ensure effective and efficient use of its resources. The last such audit was completed in 1999.

A thorough assessment of the security management control framework was conducted to review the effectiveness of the organizational structure related to the security function, the control, administration and communication functions, as well as the way risks were assessed and addressed. In compliance with the Government Security Policy, the following security functions were examined: physical security, personnel security, record management, contracting, and information technology (IT).

Most of the recommendations resulting from the audit were in the area of information technology which, at the time of the audit, was under review in light of the recently published Treasury Board policy on the Management of IT Security (May 2004). As a result of the audit, Management is updating its IT strategic plan, incorporating many of the security elements identified in the audit. In addition, the Corporation will conduct a complete review of its security guidelines and process to ensure they are aligned with the recent changes in the Government Security Policy and the recommendations of the audit.

EVALUATION

The Corporation continues to monitor its public programming performance, using a range of evaluation techniques. This past year, it has carried out summer and winter satisfaction surveys, used primarily to assess visitor opinion. These surveys were carried out in addition to the electronic kiosks which are used both to collect visitor feedback on a continual basis and to monitor visitor characteristics and satisfaction.

THE YEAR IN STATISTICS

* Please note that these statistics now represent actual contact with offsite visitors, as opposed to the total number of event participants. However, a larger number of visitors may have been influenced by our presence at offsite events.

The following is a statistical profile of some of the Corporation's activities during the year.

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION	**2004–2005**	2003–2004
Collection Development and Management		
Number of artifact collection records	**37,137**	36,400
Number of artifacts acquired	**574**	545
Percentage of artifacts acquired by donation	**82.2%**	86.3%
Number of artifacts on loan	**455**	574

CANADA AGRICULTURE MUSEUM	**2004–2005**	2003–2004
Museum Access and Use		
Number of school group visits	**721**	839
Number of participants in school group visits	**20,166**	20,052
Number of school program modules offered	**40**	46
Number of demonstrations, tours and workshops given	**2,832**	2,857
Number of people participating in demonstrations, tours and workshops	**80,753**	63,879
Number of offsite demonstrations or events	**4**	2
Number of visitors to offsite demonstrations or events	**1,285** *	211,000
Other use of facilities (number of participants)	**2,316**	1,005
Number of Web site user sessions	**170,854**	175,367

CANADA AVIATION MUSEUM	**2004–2005**	2003–2004
Museum Access and Use		
Number of school groups visits	**1,372**	1,092
Number of participants in school group visits	**46,001**	34,951
Number of school program modules offered	**15**	15
Number of demonstrations, tours and workshops given	**791**	1,035
Number of people participating in demonstrations, tours and workshops	**56,418**	56,271
Number of offsite demonstrations or events	**6**	9
Number of visitors to offsite demonstrations or events	**17,600**	47,500
Other use of facilities (number of participants)	**22,206**	19,638
Number of Web site user sessions	**439,119**	493,115

CANADA SCIENCE AND TECHNOLOGY MUSEUM	**2004–2005**	2003–2004
Museum Access and Use		
Number of school group visits	**3,020**	3,346
Number of participants in school group visits	**109,830**	113,012
Number of school program modules offered	**45**	44
Number of demonstrations, tours and workshops given	**16,057**	13,349
Number of people participating in demonstrations, tours and workshops	**226,183**	210,686
Number of special events held	**21**	18
Number of participants in special events	**78,533**	75,897
Number of travelling exhibitions on tour	**1**	2
Number of venues receiving travelling exhibitions	**0**	2
Number of visitors to travelling exhibitions (estimated)	**0**	1,000
Number of offsite demonstrations or events	**11**	11
Number of visitors to offsite demonstrations or events	**5,000**	7,212
Other use of facilities (number of participants)	**24,240**	7,240
Number of Web site user sessions	**963,270**	1,029,123

OUR SUPPORTERS

VOLUNTEERS

PUBLIC PROGRAMMING, COLLECTION AND RESEARCH, AND CORPORATE SERVICES ACTIVITIES CONTINUED TO BENEFIT FROM A DEDICATED VOLUNTEER CORPS.

IN 2004–2005, 429 VOLUNTEERS PERFORMED 25,065 HOURS OF SERVICE ON BEHALF OF THE CORPORATION, AND WE ARE GRATEFUL FOR THEIR CONTINUING SUPPORT, SERVICE AND COMMITMENT TO OUR MUSEUMS.

CANADA SCIENCE AND TECHNOLOGY MUSEUM/ CANADA AGRICULTURE MUSEUM

Cathy Allen
Melanie Ash
William Harvey Ballard
Edmund Barrick
John Bauer
Anastasia Bédard
Laure Belotti
Thomas Belotti
Graham Bennett
Sylvain Bergeron
Doug Biesenthal
Biman Bihari
Paul Boire
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Edmund Bowkett, Sr.
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Jennifer Ferries
Hilary Fisher
Alexandra Fottinger
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Harriet Walker
Terry Walton
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Allen Westland
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David Williamson
Gail Wright
Marta Wright
Wilson Wyman
James Min Yang
André Yelle
Eric Zayed
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Max Yechi Zang
Madeleine Quan Zhao

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Jim White
Richard Wickens
Manel Wijesekera
Glynn Williams
Hailemariam Wossene
Brian Yendall
Helen Yendall

MEMBERS

THE CORPORATION'S MEMBERSHIP PROGRAM HAS EXISTED FOR 15 YEARS, AND NUMBERS APPROXIMATELY 26,000 INDIVIDUALS IN 6,000 HOUSEHOLDS. THIS PAST YEAR, MEMBERSHIP PROGRAM REVENUES WERE $230,000. MEMBER VISITS CONTINUE TO ACCOUNT FOR A SUBSTANTIAL PERCENTAGE OF PAID LOCAL VISITS BY THE GENERAL PUBLIC TO THE CORPORATION'S THREE MUSEUMS, WITH A COMBINED TOTAL OF 105,333 VISITS BY MEMBERS. MEMBERS CONTINUE TO SUPPORT THE MUSEUMS THROUGH REGISTRATION FOR VARIOUS PROGRAMS, PURCHASES IN THE GIFT STORES, WORD-OF-MOUTH PROMOTION AND PARTICIPATION IN FOCUS GROUPS AND SURVEYS.

DONORS

THE CORPORATION WOULD LIKE TO THANK THE FOLLOWING INDIVIDUALS, CORPORATIONS, ORGANIZATIONS AND FOUNDATIONS FOR THEIR FINANCIAL SUPPORT.

Annual Individual Gifts

The following individuals have donated gifts of $200 or more during the year.

CANADA AGRICULTURE MUSEUM

Russel Code
Michelle Dondo-Tardiff
C. Harold Jackson
Richard Jodoin
Robert Lavallée
Harold MacDonald
David MacFarlane
David R. Richeson
David Sutin
Aime Theoret
Ann Thompson

CANADA AVIATION MUSEUM

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P. Spearey
John St. James
J. H. Tait
Ann Thompson
Bryon D. Tomowich
Sean Travers

Major Gifts

The following individuals, associations and foundations have given over $1000 in cumulative gifts over the years.

CANADA AGRICULTURE MUSEUM

Bonnie Fraser
Ann Thompson
George Weston Limited

CANADA AVIATION MUSEUM

Air Force Association
Ernst J. Anderson
A. J. Armstrong
Jean Paul Asselin
Valorie M. Austin
G. W. Babbitt
William Bain
Denis A. Bar Berree
Earl H. Barr
Allan W. Becker
Maurice James Bent
Aileen Bowyer
Robert Bradford
Peter J. Brennan
Adrian Brookes
Paul J. Brunelle
R. Buckland
A. Butterworth
Mr. Ken and Mrs. Fiona Cameron in memory or Mr. Howard Fowler
William F. Campbell
Bill Carr
Joseph D. Cheetham
R. A. W. Clayton
John W. W. Clifford
John Collins
Sterling Conrad
Alan R. Constant
F. T. Constant
M. Creagan
Paul Dalseg
H. Drover
Wilfrid J. Dugas
C. R. Dunlap
Roger Durocher

EDS Canada
Terry Edwards in memory of
Arthur Edwards (1918 – 2001)
J. R. Ellis
S. Ellis
David O. Everett
Rae R. Farrell
R. W. Fassold
D. J. Floyd
Robert J. Flynn
Ed Foster
Bonnie Fraser
George A. Fuller
J. Gerald Fultz
Costanzo M. Gabriele
R. John Garrioch
Robert K. N.
Glendinning
R. Gordon
Mrs. Sally Gouin in memory of
Wilfrid Peter Gouin, (1912 – 1993)
M.B.E., C.D., B.Eng., F.C.A.S.I.
Hans A. Graae
J. Harold Grand
Greater Toronto Airports Authority
Richard Grzeslo
Robert G. Halford
Ronald B. Hall
Hugh A. Halliday
Merv Harron
Ray Healey
Derek A. Heath
Robert V. Hemsley
John B. Higham
Robert D. Holden
Hope Aero Propeller and
Components Inc.
William O. Hough
Ronald Hunt
Reid T. Hutchinson
Gerald F. Ireland
J. L. S. Enterprises
M. Johnson
Harlo L. Jones
G. Kearns
Fred J. Kee
James H. Kenney
Jim Kowalyk
Jim Laing
Bill Loftus
Norbert J. Logan
Alex E. Logan
Robert C. MacFarlane
Laurence McArdle
Ralph E. McBurney
James D. McKnight
John McMeekin
John McMurran
William R. McRae
Robert Merrick
R. W. Moffatt
Malcom G. Morrison
Alexander E.W. Morton
John A. Murphy
William Murray
NAV Canada
National Air Museum Society
William M. Park
L. P. Parker
Ron N. Patton
Desmond J. Peters
Joseph Pope
James B. Prendergast
R. Murray Ramsbottom
John F. Riley
Robert D. Richmond
Michel Rossignol
E. H. Salkeld
Oscar Scheuneman
George R. Skinner
Kenneth Victor Smith
Mr. Christopher J. and
Victoria Terry
Mr. Fred and Edna Terry
Senator Norman M. Patterson
Foundation
John C. Trethowan
Jack J. Verduyn
D. Watson in memory of
Mrs. Watson
Ronald L.Watts
Neil A. Webb
J. R. Wiseman
Alec C. Woodley
W. B. Woollett
P. Yull

CANADA SCIENCE AND TECHNOLOGY MUSEUM

Artifact Donors

Canada Agriculture Museum (Corporate)

Agriculture and Agri-Food Canada

Canada Agriculture Museum (Individual)

J. A. Carman
F. M. Klingender

Canada Aviation Museum (Corporate)

First Air *
National Defence

Canada Aviation Museum (Individual)

G.-J. Allin
M. Boutin
R. Brown
O. M. Browne
M. Cartwright
M. Caswell
D. Cayo
J. Ceriko
P. Charlton
A. Chene
C. Davids-Fry
J. S. Desjardins
V. Dickenson
B. M. Geary
D. W. Mclean
R. Murray
P. Naish
D. Philipson
J. Piper
B. R. Sheard
S. Sheldrake
F. Terry
J. R. Utting
S. Wilson

Canada Science and Technology Museum (Corporate)

Alberta Provincial
Forest Fire Centre
British Columbia Protection Program
Canadian Space Agency
Defence Research & Development
Canada — Atlantic
Prince Edward Island Department of
Environment, Energy & Forestry
Newfoundland Department of
Natural Resources
New Brunswick Department of
Natural Resources & Energy
Government of the Northwest
Territories, Department of
Resources, Wildlife and
Economic Development
Department of Saskatchewan
Environment
House of Commons,
Curatorial Services
Les Soeurs De La Charité
Lux Photographic Services
Maracle Press
McGill University
Meteorological Service of Canada
Montreal Neurological Hospital
Natural Resources Canada
Nortel Networks
Nortel Networks Community
Volunteers Telecommunications
Ontario Ministry of Natural Resources
The Chatham-Kent Museum
University of Western Ontario
Yarmouth County Museum
Yukon Government

Canada Science and Technology Museum (Individual)

A. Aizenman
J. Anthony
P. Attallah
J. C. Bauer
M. Bernstein
M. Brisebois
D. Brockhouse
L. Cordeau
Y. Cournoyer
P. Dutkiewicz
W. Flood
L. B. J. Friso
E. Hammond
R. Jenkins
E. Jury
J. Kirkman
D. Lieff
M. Lubecki
K. Lyons
G. Parsons
F. Payne
R. E. Phillips
W. Pullen
M. Rheault
W. Scott
D. Smith
D. Taynen
D. Verhart
M. Villeneuve
R. P. Whitehead

CORPORATE SPONSORS

THE CORPORATION CONTINUES TO WORK WITH ITS CORPORATE SPONSORS IN UNIQUE WAYS WHICH ADDRESS THEIR BUSINESS AND MARKETING OBJECTIVES.

THE CORPORATION WOULD LIKE TO THANK THE FOLLOWING CORPORATIONS FOR THEIR GENEROUS SPONSORSHIP SUPPORT.

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

Major Sponsor
Desjardins Electronic Payment and Access Services

CANADA SCIENCE AND TECHNOLOGY MUSEUM

Title Sponsor
Nortel Networks — Nortel Connexions exhibition

Contributing Sponsor
Ignite Studios — Nortel Connexions exhibition

CANADA AVIATION MUSEUM

Major Sponsors
Pratt & Whitney Canada — The Next Generation Programs

CANADA AGRICULTURE MUSEUM

FOOD FOR HEALTH EXHIBITION (OPENS 2006)

Presenting Sponsor
Canadian Institutes of Health Research

Major Sponsors (IN ALPHABETICAL ORDER)
Agriculture and Agri-Food Canada
Canadian Food Inspection Agency
Canadian Partnership for Consumer Food Safety Education
Health Canada

Supporting Sponsors (IN ALPHABETICAL ORDER)
Canadian Agri-Food Research Council
Canadian Bacterial Diseases Network
Genome Prairie
National Research Council — Institute for Biological Sciences
Canada Agriculture Museum

Contributing Sponsor
Neilson Dairy — Dairy Demonstrations

Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

Canadian Partnership for Consumer Food Safety Education
Partenariat canadien pour la salubrité des aliments

Canadian Food Inspection Agency / Agence canadienne d'inspection des aliments

Health Canada / Santé Canada

FINANCIAL PERSPECTIVE

FIGURE 13 — COMPARISON OF FINANCIAL RESULTS (in thousands of dollars)

	2005 Plan RESTATED	2005 Actual	2004 RESTATED
REVENUES			
Parliamentary Appropriation	**$ 24,050**	**$ 24,007**	$ 24,730
Generated Revenues	**4,115**	**4,178**	4,160
Total Revenues	**28,165**	**28,185**	28,890
EXPENSES			
Personnel	**$ 14,270**	**$ 14,462**	$ 15,268
Accommodation	**6,924**	**7,090**	6,318
Depreciation	**1,777**	**1,989**	1,902
Operations	**5,516**	**5,387**	5,212
Total Expenses	**28,487**	**28,928**	28,700
Net Income (Loss)	**(322)**	**(743)**	190
EQUITY OF CANADA	**$ 10,021**	**$ 9,600**	**$ 10,343**

The appropriation originally voted by Parliament this fiscal year was $29.653 million, which included $5.525 million for the construction of a new collection storage and archives wing at the Canada Aviation Museum. Part of this amount has been deferred and will be recognized during construction. During the year, funding was supplemented by $988,000 for personnel cost adjustments and a digitization project.

The CSTMC has faced increasing pressures over the last several years on its ability to effectively carry out its activities. This past year, the Corporation developed a new vision and strategic framework. The implementation of this vision will help in identifying priorities for the Corporation and aligning its limited resources with high impact projects. The Corporation delayed some capital expenditures, reduced programs, and eliminated several special events in an effort to maintain a positive equity position. Sponsorship activities continued to have a positive impact mainly in the development of the **Food for Health** exhibition, scheduled to open at the Canada Agriculture Museum in 2006. Income from trust accounts was also used to fund certain activities.

Overall operating costs increased by $0.2 million in comparison to last year, the impact of facilities and depreciation being $0.9 million reflects a decrease of musiological expenses of $0.7 million.

Other efforts to balance the sources and uses of funds in this environment included a reduction in programs, exhibition renewal and advertising. Facility management activities at the Canada Aviation Museum included the fit-up of the new library archives and administration wing. All furnishings for the new building were procured from surplus stock from other government departments, in order to reduce the total project cost. There was limited facility work carried out at the Canada Science and Technology Museum. The uncertainty in the timing of a new museum building continues to have an impact on this site, as the Corporation continued to evaluate all expenditures to ensure an appropriate return on investment in the current facilities. Improvements to the Museum's entrance were undertaken, pursuant to claims received for vehicle damage. Uncertainty in funding also delayed development of the Canada Agriculture Museum. Energy conservation reviews and utility price monitoring continue to be a focus for the facilities group.

Capital projects continue to be deferred in an effort to stabilize the fiscal situation. Some of these projects will need to be undertaken in 2005–2006. The challenge will be in selecting only critical projects, in order to ensure that a positive equity can be maintained without compromising facilities and operations. At the same time, the Corporation has been quite successful in its efforts to seek out sponsors and partners to assist in the delivery of its programs and activities.

A reserve has been set in order to settle any potential financial claims arising from the construction projects at the Canada Aviation Museum. Should this reserve prove to be inadequate, there will be further budgetary pressures on programs and activities, and a potential financial loss in the next fiscal year. Securing operational funds for the new facilities at the Canada Aviation Museum will be key to the future financial stability of the Corporation. The Corporation continued its discussions with the Department of Canadian Heritage on redressing the Corporation's financial situation.

FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements contained in this annual report have been prepared by Management in accordance with Canadian generally accepted accounting principles, and the integrity and objectivity of the data in these financial statements are Management's responsibility. Management is also responsible for all other information in the annual report and for ensuring that this information is consistent, where appropriate, with the information and data contained in the financial statements.

In support of its responsibility, Management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of financial information, that assets are safeguarded and controlled, and that transactions are in accordance with the *Financial Administration Act* and regulations, as well as the *Museums Act* and the by-laws of the Corporation.

The Board of Trustees is responsible for ensuring that Management fulfils its responsibilities for financial reporting and internal control. The Board exercises its responsibilities through the Audit Committee, which includes a majority of members who are not officers of the Corporation. The Committee meets with Management and the independent external auditor to review the manner in which these groups are performing their responsibilities and to discuss auditing, internal controls, and other relevant financial matters. The Audit Committee has reviewed the financial statements with the external auditor and has submitted its report to the Board of Trustees. The Board of Trustees has reviewed and approved the financial statements.

The Corporation's external auditor, the Auditor General of Canada, audits the financial statements and reports to the Minister responsible for the Corporation.

CHRISTOPHER J. TERRY
PRESIDENT AND CHIEF EXECUTIVE OFFICER

FERNAND PROULX
CHIEF OPERATING OFFICER

June 3, 2005

Auditor General of Canada
Vérificatrice générale du Canada

AUDITOR'S REPORT

To the Minister of Canadian Heritage

I have audited the balance sheet of the National Museum of Science and Technology as at March 31, 2005 and the statements of operations and equity of Canada and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied, after giving retroactive effect to the change in the method of accounting for land and buildings under the control of the Corporation as explained in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Corporation that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Museums Act* and the by-laws of the Corporation.

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

Ottawa, Canada
June 3, 2005

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

BALANCE SHEET

AS AT MARCH 31

(in thousands of dollars)	2005	*Restated (Note 3)* 2004
ASSETS		
Current		
Cash and short-term investments *(Note 4)*	**$ 5,853**	$ 13,526
Accounts receivable		
Government departments	**915**	1,348
Trade	**282**	292
Inventories	**440**	498
Prepaid expenses	**598**	695
	8,088	16,359
Restricted cash and investments	**277**	224
Collection *(Note 5)*	**1**	1
Property and equipment *(Note 6)*	**56,474**	40,730
	$ 64,840	$ 57,314
LIABILITIES AND EQUITY OF CANADA		
Current		
Accounts payable and accrued liabilities		
Government departments	**$ 337**	$ 285
Trade	**5,369**	3,735
Current portion of employee future benefits	**414**	370
Deferred revenues	**872**	1,048
	6,992	5,438
Employee future benefits *(Note 7)*	**1,598**	1,570
Deferred contributions *(Note 8)*	**277**	224
Deferred capital funding *(Note 9)*	**46,373**	39,739
Equity of Canada	**9,600**	10,343
	$ 64,840	$ 57,314

Commitments and contingencies *(Note 10 and 12)*

The accompanying notes and schedule form an integral part of the financial statements.

APPROVED BY THE BOARD OF TRUSTEES

ACTING CHAIRMAN **ACTING CHAIRMAN, AUDIT COMMITTEE**

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

STATEMENT OF OPERATIONS AND EQUITY OF CANADA

FOR THE YEAR ENDED MARCH 31

(in thousands of dollars)	**2005**	2004 *Restated (Note 3)*
REVENUES		
Admission		
Science and Technology	**$ 921**	$ 953
Aviation	**500**	477
Agriculture	**352**	316
Other	**605**	588
Commercial Operations	**1,033**	959
Corporate Development	**555**	509
Interest	**212**	358
Total Revenues	**4,178**	4,160
EXPENSES (Schedule)		
Heritage Preservation	**3,904**	4,196
Sharing knowledge	**9,203**	9,481
Support Activities	**5,786**	5,813
Accommodation	**8,046**	7,308
Amortization	**1,989**	1,902
Total Expenses	**28,928**	28,700
Excess of expenses over revenues	**(24,750)**	(24,540)
Parliamentary Appropriations *(Note 13)*	**24,007**	24,730
Net (loss) income	**(743)**	190
Equity of Canada at the beginning of the year	**10,343**	51
Contributed surplus	**-**	10,102
Equity of Canada at the end of the year	**$ 9,600**	$ 10,343

The accompanying notes and schedule form an integral part of the financial statements.

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31

(in thousands of dollars)	**2005**	2004
CASH FLOWS FROM/(USED IN) OPERATIONS		
Cash received (clients)	**$ 3,955**	$ 4,321
Parliamentary Appropriations received	**22,234**	19,310
Cash paid (employees and suppliers)	**(25,026)**	(26,132)
Interest received	**212**	358
Total cash flows from/(used in) operating activities	**1,375**	(2,143)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property and equipment	**(17,733)**	(7,916)
Increase in restricted cash and investments	**(53)**	(15)
Total cash flows used in investing activities	**(17,786)**	(7,931)
CASH FLOWS FROM FINANCING ACTIVITIES		
Funding for the acquisition of property and equipment	**8,623**	17,026
Restricted contributions and related investments income	**115**	79
Total cash flows from financing activities	**8,738**	17,105
INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS	**(7,673)**	7,031
Cash and short-term investments, beginning of the year	**13,526**	6,495
Cash and short-term investments, end of the year	**$ 5,853**	$ 13,526

The accompanying notes and schedule form an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

AS AT MARCH 31, 2005

1/ AUTHORITY, MANDATE AND OPERATIONS

The National Museum of Science and Technology was established by the Museums Act on July 1st, 1990, and is a Crown corporation named in Part 1 of Schedule III to the Financial Administration Act.

The mandate of the Corporation, as stated in the Museums Act, is to foster scientific and technological literacy throughout Canada by establishing, maintaining and developing a collection of scientific and technical objects, with special but not exclusive reference to Canada, and by demonstrating the products and processes of science and technology and their economic, social and cultural relationships with society.

The Corporation is operating as the Canada Science and Technology Museum Corporation. It manages three museum sites: the Canada Science and Technology Museum, the Canada Aviation Museum and the Canada Agriculture Museum. The museums operate under a common set of corporate policies. Support services such as human resources, finance and facilities management are provided centrally. The Corporation's operations are divided into two complementary activities:

MANAGEMENT OF THE COLLECTION

This includes documentation, cataloguing and conservation.

MANAGEMENT OF PUBLIC FACILITIES AND PROGRAMS

This includes the development and maintenance of exhibitions, interpretive and educational activities, communication and promotion, historical research, the library and related services, gift shops, food services and other services to visitors.

2/ ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies are:

(a) Inventories

Inventories are valued at the lower of cost and net realizable value.

(b) Collection

The collection constitutes the major portion of the Corporation's assets but is shown at a nominal value of $1,000 on the balance sheet because of the practical difficulties in reflecting it at a meaningful value. Items purchased for the collection are recorded as expenses in the year of acquisition. Items donated to the Corporation are not recorded in the books of account.

(c) Property and equipment

Property and equipment are recorded using the following basis. Acquired property and equipment owned by the Corporation are recorded at cost and amortized on their estimated useful life. Land and buildings owned by the Government of Canada and under the control of the Corporation are recorded at their estimated historical cost, less accumulated amortization for buildings. The estimated historical net costs of the buildings have been credited to deferred capital funding and the estimated historical cost of the land has been credited to contributed surplus. Land for which the historical cost cannot be reasonably determined is recorded at a nominal value with a corresponding amount credited to the contributed surplus. Improvements that extend the useful life or service potential are recorded at cost.

Amortization is calculated using the straight-line method over their estimated useful lives as follows:

Buildings	**10 to 40 years**
Building improvements	**10 to 25 years**
Equipment	**5 to 12 years**
Office furniture	**5 to 10 years**

Amounts included in uncompleted capital projects are transferred to the appropriate property and equipment classification upon completion and are amortized accordingly.

(d) Employees future benefits

i) Pension benefits
All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Corporation's contribution to the plan reflects the full cost of the employer contributions. This amount is currently based on multiple of the employee's required contributions, and may change over time depending on the experience of the Plan. The Corporation's contributions are expensed during the year in which the services are rendered and represent the total pension obligation of the Corporation. The Corporation is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan.

ii) Severance benefits
Employees are entitled to severance benefits, as provided for under labour contracts and conditions of employment. The cost of these benefits is accrued as the employees render the services necessary to earn them. Management determined the accrued benefit obligation using a method based upon assumptions and its best estimates. These benefits represent the only obligation of the Corporation that entails settlement by future payment.

(e) Donations

The Corporation follows the deferral method of accounting for donations.

Donations received for specific purposes, and related investment income, are deferred and recognized as revenue in the year in which the related expenses are incurred. Donations without restrictions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Volunteers contribute a significant number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

(f) Parliamentary appropriations

The Government of Canada provides funding to the Corporation. Parliamentary appropriations received for specific projects are recorded as deferred capital funding and recognized in the year in which the related expenditures are incurred. The portion of the parliamentary appropriation intended to be used to purchase depreciable property and equipment is recorded as deferred capital funding and amortized on the same basis and over the same periods as the related property and equipment. The remaining portion of the appropriation is recorded in the statement of operations in the year for which it is approved.

(g) Measurement uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the year. Accrued liabilities, employee future benefits, land, buildings and estimated useful lives of property and equipment are the most significant items where estimates are used. Actual results could differ from those estimated.

3/ CHANGE IN ACCOUNTING POLICY

In the current year, the Corporation changed its accounting policy related to property and equipment. At the request of Treasury Board, the Corporation recorded land and buildings owned by the Government of Canada and that are under the control of the Corporation. Land is recorded at its estimated historical cost and buildings at their estimated historical cost less accumulated amortization, while last year, these assets were not recorded in the Corporation's financial statements. The estimated historical net cost of the buildings has been credited to deferred capital funding and the estimated historical cost of the land has been credited to contributed surplus.

This change has increased both amortization of buildings and the related amortization of deferred capital funding by $571,000 leaving the net result unchanged. This change in accounting policy was applied retroactively and prior periods presented for comparison in the financial statements have been restated. Consequently, the financial statements for the year ended March 31, 2004 have been restated as follows:

(in thousands of dollars)	**2004 Restated**	2004 As previously stated
BALANCE SHEET		
Property and equipment	**$ 40,730**	$ 17,056
Deferred capital funding	**39,739**	26,167
Equity of Canada	**10,343**	241
STATEMENTS OF OPERATIONS AND EQUITY OF CANADA		
Amortization of property and equipment	**$ 1,902**	$ 1,331
Parliamentary appropriations	**24,730**	24,159
Contributed surplus	**10,102**	-
NOTES TO FINANCIAL STATEMENTS		
Land net book value *(Note 6)*	**$ 10,102**	$ -
Buildings net book value *(Note 6)*	**13,359**	-
Building improvements net book value *(Note 6)*	**6,851**	6,638
Deferred capital funding balance, beginning of year *(Note 9)*	**28,189**	14,046
Deferred capital funding amortization *(Note 9)*	**(1,902)**	(1,331)
Deferred capital funding balance end of year *(Note 9)*	**39,739**	26,167
Deferred capital funding amortization *(Note 13)*	**1,902**	1,331
Parliamentary appropriations *(Note 13)*	**24,730**	24,159
Amortization of property and equipment *(Schedule of expenses)*	**1,902**	1,331

4/ CASH AND SHORT-TERM INVESTMENTS

(in thousands of dollars)	**2005**	2004
Cash	**$ 103**	$ 274
Short-term investments	**5,750**	13,252
	$ 5,853	$ 13,526

The Corporation's investments are limited to 90 days in Schedule "A" banks, government backed paper and commercial paper rated A++ by the Canadian Bond Rating Services. The overall portfolio yield as at March 31, 2005 was 2.27% (2004 — 2.70%) and the average term to maturity is 32 days (2004 –16 days).

The fair value of the short-term investments is approximately $5,757,000. Accrued interest of $7,483 is recorded in accounts receivable.

5/ COLLECTION

Part of the mandate of the Corporation is " to foster scientific and technological literacy throughout Canada by establishing, maintaining and developing a collection of scientific and technological objects..." This collection is the main asset of the Corporation and is composed of over 1,000,000 items divided in the following areas.

Aviation: aircraft and related materials
Communications: graphic arts, film, photography and related systems, broadcasting, sound recording and reproduction, electronic communications and electronic music
Industrial technology: generic industrial processes, engineering, industrial design, construction, domestic appliances, tools and systems
Natural resources: energy production, processing and infrastructure, mining and extraction technology
Renewable resources: agriculture, forestry and fishery technologies — harvesting and primary processing
Scientific instrumentation: instruments, tools and systems with direct application to mathematics, chemistry, physics, as well as astronomy, astrophysics, medicine, meteorology, surveying and mapping, and information technology.
Transportation: motorized and non-motorized wheel, track and trackless vehicles, motorized and non-motorized marine transportation, as well as the supporting infrastructure of technologies, tools and instruments

6/ PROPERTY AND EQUIPMENT

Restated (Note 3)

(in thousands of dollars)	2005			2004
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 10,102	$ -	$ 10,102	$ 10,102
Buildings	33,297	16,413	16,884	13,359
Building improvements	14,416	8,171	6,245	6,851
Office furniture	5,734	4,595	1,139	1,068
Equipment	5,927	4,945	982	931
Uncompleted capital projects	21,122	-	21,122	8,419
	$ 90,598	$ 34,124	$ 56,474	$ 40,730

The cost of the buildings includes $6.9 million for the Canada Science and Technology Museum building that is fully amortized. The Corporation is currently building a collection storage facility at the Canada Aviation Museum and the cost is reflected in the table under uncompleted capital projects.

7/ EMPLOYEE FUTURE BENEFITS

i) Pension benefits
The Corporation and all eligible employees contribute to the Public Service Pension Plan. This pension plan provides benefits based on years of service and average earnings at retirement. The benefits are fully indexed to the increase in the Consumer Price Index. The Corporation's and employees' contributions to the Public Service Pension Plan for the year were as follows:

(in thousands of dollars)	2005	2004
Corporation's Contributions	$ 1,192	$ 1,185
Employees' Contributions	544	559

ii) Severance benefits

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

(in thousands of dollars)	**2005**	2004
Accrued benefit obligation, beginning of year	**$ 1,940**	$ 1,715
Cost for the year	**238**	459
Benefits paid during the year	**(166)**	(234)
Accrued benefit obligation, end of year	**2,012**	1,940
Short term portion	**414**	370
Long term portion	**1,598**	1,570
	$ 2,012	$ 1,940

8/ DEFERRED CONTRIBUTIONS

This represents the unspent amount of donations received from individuals and corporations for specific purposes and related investment income.

(in thousands of dollars)	**2005**	2004
Balance at the beginning of the year	**$ 224**	$ 209
Gifts and bequests	**109**	73
Interest	**6**	6
Amount recognized as revenue in the year	**(62)**	(64)
Balance at the end of the year	**$ 277**	$ 224

The balance in cash and short-term investments at the end of the year is restricted for specific purposes and is managed in accordance with the donors' wishes and the by-law of the Corporation.

9/ DEFERRED CAPITAL FUNDING

Deferred capital funding represents the unamortized portion of parliamentary appropriations used or to be used to purchase depreciable property and equipment.

Changes in the deferred capital funding balance are as follows:

Restated (Note 3)

(in thousands of dollars)	**2005**	2004
Balance at the beginning of the year	**$ 39,739**	$ 28,189
Appropriation used in the current year to purchase depreciable property and equipment	**17,733**	7,916
Appropriation received in the current year to purchase depreciable property and equipment in future years	**-**	9,110
Deferred appropriation used in current year to complete capital projects	**(9,110)**	(3,574)
Amortization	**(1,989)**	(1,902)
Balance at the end of the year	**$ 46,373**	$ 39,739

10/ COMMITMENTS

As at March 31, 2005, the Corporation had entered into various agreements for accommodation, protection services, facilities management services and exhibition rentals for a total of $9,843,000. The commitments include contracts for building construction services for the new hangar at the Canada Aviation Museum in the amount of $ 100,000. The future minimum payments for the next five years are as follows:

(in thousands of dollars)

2005–2006	$ 3,305
2006–2007	2,186
2007–2008	1,495
2008–2009	1,455
2009–2010	1,402
	$ 9,843

11/ RELATED PARTY TRANSACTIONS

The Corporation is related to all Government of Canada departments, agencies and Crown corporations. The Corporation incurred expenses for the work and services provided by other government departments and agencies. These transactions were conducted in the normal course of operations, under the same terms and conditions that applied to outside parties.

12/ CONTINGENCIES

In the normal course of its operations, the Corporation becomes involved in various claims or legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the Corporation's financial statements. A provision for these expenses has been recorded based on management's best estimates. The effect, if any, of ultimate resolution of theses matters will be accounted for when determinable.

13/ PARLIAMENTARY APPROPRIATIONS

Restated (Note 3)

(in thousands of dollars)

	2005	2004
Main Estimates amount provided for operating and capital expenditures	**$ 29,653**	$ 35,343
Supplementary estimates:		
Contribution to federal reallocation	**-**	(250)
Severance adjustments and retroactive wages settlement	**839**	1,187
Digitization project	**149**	-
	30,641	36,280
Portion of amount deferred for capital projects	**-**	(9,110)
Deferred appropriation used in current year to complete capital projects	**9,110**	3,574
Amounts used to purchase depreciable property and equipment	**(17,733)**	(7,916)
Amortization of deferred capital funding	**1,989**	1,902
Parliamentary appropriations	**$ 24,007**	$ 24,730

14/ FINANCIAL INSTRUMENTS

The carrying amounts of the Corporation's accounts receivable, accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

15/ COMPARATIVE FIGURES

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

CANADA SCIENCE AND TECHNOLOGY MUSEUM CORPORATION

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED MARCH 31

Restated (Note 3)

(in thousands of dollars)	2005	2004
Personnel costs	**$ 14,462**	$ 15,268
Amortization of property and equipment	**1,989**	1,902
Property taxes	**1,936**	1,759
Professional and special services	**1,764**	1,885
Leases of buildings	**1,758**	1,777
Utilities	**1,304**	1,052
Property management services	**961**	755
Material and supplies	**893**	905
Protection services	**639**	612
Gift stores, cafeteria and product marketing	**496**	432
Repairs and upkeep of buildings	**492**	363
Advertising	**343**	348
Design and display	**299**	148
Repairs and upkeep of equipment	**295**	304
Publications	**280**	285
Communications	**249**	215
Travel	**221**	189
Rentals of equipment	**127**	118
Freight express and cartage	**104**	108
Office supplies and equipment	**101**	99
Miscellaneous	**98**	75
Books	**74**	60
Purchase of objects for the collection	**43**	41
Total expenses	**$ 28,928**	$ 28,700