



Canadian Museum of History – Canadian War Museum

# Annual Report 2016–17

Contents

Message From the Interim Chair ..... 3

Message From the President and CEO..... 5

The Canadian History Hall ..... 7

The Year in Review: Achievements..... 9

    Establish the Museum as a hub of Canadian history for Canada and the world..... 9

    Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience..... 14

    Develop a collection that better reflects Canada’s history and distinctiveness..... 20

    Engage dynamic partnerships and networks across Canada and internationally for mutual benefit.... 23

    Ensure the Museum has the financial resources to carry out its mandate ..... 28

The Corporation and its Governance ..... 32

Donors and Sponsors ..... 40

Financial Statements..... 46

## Message From the Interim Chair

These are special times for the Canadian Museum of History and the Canadian War Museum.

Attendance and donations are both up. The **Canadian History Hall** — which embodies the Museum of History's new focus on telling Canada's national stories — has become a reality. Both Museums have expanded their influence across the country and around the globe. In short, it's been a challenging, invigorating and gratifying year for all of us.

And in particular, it's been a personal pleasure for me to have chaired a board that has played a vital role in all those successes.

The talented and dedicated people who sit on our Board of Trustees have been proud to oversee the remarkable work that the Museum management and staff have completed in support of the Museum's objectives. The accomplishments of the past year have indisputably supported the five Strategic Directions that were implemented in 2014, and which will continue to guide the Museum's activities until 2020.

If we cross-reference the five Strategic Directions with the Museum's achievements, we can see the ways in which general objectives have translated into actual advances.

This past year was the most successful year for fundraising in the Museum's history. The campaign to support the **Canadian History Hall** far surpassed its target and the First World War Centenary campaign achieved 97 percent of its goal. The Museum has unequivocally met the Strategic Direction to ensure that it "has the financial resources to carry out its mandate."

The contributions of donors are essential to the realization of our Museums' mandates. Not only do donors' financial contributions make it possible for ambitious plans to be achieved, but the donation of artifacts also provides us with the physical means to bring Canada's past to life.

The corporation also has a responsibility to "establish the Museum as a hub of Canadian history for Canada and the world." The clearest expression of the Board's fulfillment of this requirement is its oversight of the development of the **Canadian History Hall**. The new Hall, with its 44,000 square feet of space divided into 3 galleries, spanning 15,000 years of history, contains 1,500 artifacts that help to tell the story of Canada and its peoples like never before. As a "hub of Canadian history," the **Canadian History Hall** is clearly without equal in this country.

In addition, the Board oversees the Direction to "connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience." A highlight for the Board in this respect was the showcase of artifacts related to Corporal Francis Pegahmagabow, the most decorated First Nations soldier in Canadian military history, at a special event in Parry Sound that honoured his efforts. This type of outreach, combined with the administration of the Virtual Museum of Canada, enhances connections with Canadians, wherever they may live.

The Strategic Direction to "develop a collection that better reflects Canada's history and distinctiveness" was acted upon through the approval of a new collections plan and the acquisition this year of a variety of important artifacts, from Private John Ashe's Vimy Ridge grave marker; to a collection of photos from a Japanese Canadian internment camp; to artifacts from the so-called "Canadian Caper" of 1980, where the Canadian embassy in Tehran helped smuggle six American diplomats out of Revolution-era Iran.

Meanwhile, a multitude of activities with partner organizations gave expression to the Direction to “engage in dynamic partnerships and networks across Canada and internationally for mutual benefit.” One example is the opening of **Treasures From Library and Archives Canada**, a gallery within the Museum of History showcasing some of the most historically significant documents from Library and Archives Canada’s collections.

In my capacity as Chair, I would like to recognize my fellow Board Members as well as the management team and staff at both Museums who have done exceptional work. In particular, President and CEO Mark O’Neill deserves special recognition for the vision and steady leadership he’s brought to the Museums throughout these years of growth and transformation.

We are also profoundly grateful for the support and confidence of the Government of Canada. In the 2016 Budget, the government committed to significantly increased funding for the cultural sector, including additional investment in Canada’s national museums.

With the successes of 2016–17 now in the history books, I hope you’ll join us in anticipating another busy year and our continuing development of projects that reflect the richness and diversity of Canada.

**Dr. James D. Fleck, C.C.**

Interim Chair of the Board of Trustees

## Message From the President and CEO

As we look back on an extraordinary year — one that included the final preparations for the opening of the **Canadian History Hall**, as well as special commemorations of the Battle of Vimy Ridge — it's clear that staff, donors and friends of our Museums feel a deep sense of pride in our institution.

One major source of that pride is that so many individuals have met the once-in-a-lifetime challenges associated with our key role in marking Canada's 150th anniversary of Confederation.

As the Canadian Museum of History worked to finalize the galleries that will be housed in the new **Canadian History Hall** — the result of a remarkable, multi-year process of intensive research and public consultation — and as targets and timelines were reached and often surpassed, the sense of excitement has grown. Years of hard work, careful planning and inspired reimagining have led to the development of a monumental space that will change both the face of the Museum and the way that Canadians engage with their history. As the world's largest exhibition space dedicated to Canadian history, the Hall is a major legacy project of Canada's sesquicentennial celebrations that will continue to benefit Canadians long into the future.

At the Canadian War Museum, an extensive suite of exhibitions and programming were unveiled to coincide with the 100th anniversary of the Battle of Vimy Ridge, catalyzing vigorous public discussion about why and how we commemorate war, and shedding light on the significance for current-day Canada of those dark events of 1917.

Programming to commemorate the Vimy centenary includes the major exhibition **Vimy – Beyond the Battle**, a significant upgrade to the Museum's gallery devoted to the South African and First World Wars, and the presentation of the exhibition **Witness – Fields of Battle Through Canadian Eyes** in Arras, France.

Large-scale, landmark initiatives such as these obviously highlight the expertise, ingenuity and commitment of our staff. Every person who works here is responsible for our Museum's successes, and each one of them makes us proud.

But we also take pride in knowing that many Canadians have become enthusiastic partners in our work of telling Canada's stories. A range of indicators — attendance figures, rising donations, ongoing and highly fruitful public consultations — all point to the same conclusion: that Canadians, in seeing their own stories reflected in our Museums, feel a sense of engagement with the work we do.

This year, for example, 1.7 million people came through the doors of our Museums. Yet this is only part of the picture. Through travelling exhibitions, the Virtual Museum of Canada, outreach through social media and other means, many more people have been touched by the work of our Museums and have connected with the Canadian stories we showcase.

It was also a banner year for fundraising, with strong support for both Museums. The Museum of History exceeded its \$5 million fundraising target for the **Canadian History Hall**, and the special projects undertaken by both Museums benefited from some notable, large-scale donations from leading philanthropists. In addition to being grateful for these large donations, we are also delighted that we continue to receive the generous support of people across Canada. We now have over 5,000 annual

donors. These annual supporters are essential to our continued operations and make a powerful statement about individual Canadians' personal connections to the history of Canada.

Our Museums' continued commitment to consultation provides another testament to the importance of collaborative relationships. We are particularly proud of the ongoing involvement of First Nations people. The work of the Museum of History's First Nations Advisory Committee on the **Canadian History Hall** and the RBC Aboriginal Training Program in Museum Practices have been important in strengthening our existing collaborative relationships with First Nations.

While much of the focus this year has been on commemorating landmark events, other essential, long-term work has continued. For instance, we have recently finalized a new collections policy, which will guide our approach to acquisitions into the foreseeable future.

We also continue to expand the footprint of both the Museum of History and the War Museum internationally and across Canada. Through travelling exhibitions, artifact loans, research initiatives and network activities, our Museums are having an impact in a multitude of communities throughout the country and in other regions of the globe. Notably, the closing of **The Greeks – Agamemnon to Alexander the Great** this year in Washington, D.C., was the final note in a highly successful international collaboration developed by the Museum of History.

It's been a busy year, but there is more to come. During this sesquicentennial year, we look forward to joining with you in celebrating the life of a remarkable country.

**Mark O'Neill**

President and CEO

Canadian Museum of History

## The Canadian History Hall

### *Development of the Canadian History Hall is a milestone with a lasting impact on Canada*

Without a doubt, the Canadian Museum of History's greatest accomplishment over the past year was the new [Canadian History Hall](#), which was very near completion by year end in preparation of the public opening on July 1, 2017. It was the culmination of several years of hard work, inspiration, careful planning and broad consultation. The result is a new Hall that presents Canadian history as it's never been seen before: encompassing diverse experiences and perspectives to arrive at a collective story of conflict, struggle and loss, as well as success, achievement and hope. A legacy project for Canada's sesquicentennial, this signature exhibition illuminates the influence of that past in shaping current-day Canada.

### *Personal generosity and a shared vision have been key to bringing the Canadian History Hall to life*

The fundraising campaign for the Canadian History Hall began in 2012, and has received support from over 430 donors from across the country, consisting of individuals, foundations and corporations. The Museum has raised nearly \$9 million for the Hall, a milestone amount, surpassing its original target of \$5 million. Of these donors, nearly 40 have been motivated to contribute \$1,000 or more.

The Museum of History also acknowledges, with gratitude, several new donors who have contributed substantially to the **Canadian History Hall** at the level of \$100,000 or more. They include the Wilson Foundation, Pomerleau, the BCU Foundation, the Canadian First World War Internment Recognition Fund and the Salamander Foundation.

The Museum of History was fortunate to receive several significant record-breaking donations from notable philanthropists. All three galleries of the **Canadian History Hall** have been named for distinguished Canadian families. In appreciation of their founding gifts of \$2 million or more, Gallery 1 has been named the [Rossy Family Gallery](#), Gallery 2 has been named the [Fredrik Eaton Family Gallery](#), and Gallery 3 has been named [The Honourable Hilary M. Weston and W. Galen Weston Gallery](#).

Furthermore, the Museum is proud to report that the stories in the **Canadian History Hall** will reach far beyond its walls through further philanthropic support of education and outreach. The Rossy Family Foundation has generously provided an additional \$1 million for the Rossy Family Canadian History Hall Education Project Fund. The Wilson Foundation and the Salamander Foundation have also contributed generously in support of the Museum's education and outreach.

### *Piece by piece, a new masterpiece is revealed*

Throughout the year, as each stage in the development of the **Canadian History Hall** was completed, the sensory impact of this awe-inspiring space came more and more into focus. Each stage of construction and installation was painstaking and demanding. The Hall's domed ceiling was sprayed with a fibrous coating to absorb sound waves and improve acoustics. A giant image of Canada, as seen from space, was installed on the floor of the Hall's central area, known as the Hub. Iconic Canadian images were installed along the wall of the Passageway leading to the three galleries. Before the exhibitions could be assembled, support and display structures and showcases were installed. As each challenge was met, an exhibition hall of remarkable grandeur and beauty took shape.

*The Hall's exhibitions appeal to the senses and embrace multiple perspectives*

Museum of History staff approached the daunting task of relating 15,000 years of history by embracing some key principles: that history is about much more than leaders and elites; that human emotions are key to understanding our shared past; and that our senses are powerful perceptual tools. Those ideas have led to a museum experience that embraces multiple perspectives and tells its story largely through artifacts — the actual, physical touchstones of history.

Most of the **Canadian History Hall**'s roughly 1,500 artifacts are original historical objects, their authenticity scientifically verified. Where artifacts did not exist, replicas (for example, a 10-metre reproduction of a late-1700s canoe) have been carefully crafted. The Museum continues to collect important artifacts, such as Lester B. Pearson's original Nobel Prize medal, transferred to the Museum on long-term loan from Global Affairs Canada last year.



## The Year in Review: Achievements

The corporation aligns its plans, activities, performance goals, expenditures and reporting with the mandate established by Parliament and the Strategic Directions set by the Board of Trustees. The five Strategic Directions, approved in 2014, are essential in fulfilling the corporation's national mandate, while also promoting a high standard of museological excellence.

1. Establish the Museum as a hub of Canadian history for Canada and the world.
2. Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience.
3. Develop a collection that better reflects Canada's history and distinctiveness.
4. Engage dynamic partnerships and networks across Canada and internationally for mutual benefit.
5. Ensure the Museum has the financial resources to carry out its mandate.

### Results by performance measurement indicator

#### LEGEND

Results within 10% of target or surpassing target

Results within 10–24% of target

Results 25% or more off target

## Establish the Museum as a hub of Canadian history for Canada and the world

### Priorities

- Complete and launch the new **Canadian History Hall** on July 1, 2017 as a Canada 150 legacy project.
- Present exhibitions and public programs to commemorate the First World War Centenary.
- Establish successful programming of the exhibition space for Library and Archives Canada materials.

### Summary of Performance

All results were in line with the established objectives in relation to this Strategic Direction, except for audit recommendations. Onsite and paid-attendance results were exceptionally higher than expected due to a strong line-up of exhibitions, such as **Thomas & Friends™ – Explore the Rails, Deadly Skies – Air War, 1914–1918** and **Vikings**, strong group attendance, and continued interest in Museum facilities for events. Another area of success for the Museum was in key research projects. Ninety-seven key research projects progressed as planned or were completed, compared to a target of 31. Among the key projects were **The Franklin Expedition** and **Vimy – Beyond the Battle**.

Though four recommendations were completed, including one long-standing recommendation, the one area that did not meet its target was audit recommendations. Targets were based on recommendations carried forward into 2016–17, as well as a prediction of the number of recommendations stemming from the Audit of Collections Management. The audit, however, was delayed and concluded at the

beginning of 2017–18. Other contributing factors included the focus on the opening of the **Canadian History Hall**, which ultimately led to a realignment of priorities and changes in leadership positions, which required a transitory period.

Presenting exhibitions is a core activity of the Museum, but presenting exhibitions that help tell the story of Canada and its evolution enable visitors to understand Canadian history in a much deeper and more meaningful way. This is essential to establishing the Museum as a hub of Canadian history for Canada and the world.

<b>Paid attendance (in '000s)</b>	
Result	711
Target	630
2015–16 Result	762
<b>Analysis</b>	
Despite the closure of the <b>Canada Hall</b> to make way for the <b>Canadian History Hall</b> , the Museum exceeded its annual target of 630,000 and welcomed 711,000 paid visitors. This success can be attributed to a robust line-up of exhibitions such as <b>Thomas &amp; Friends</b> , <b>Deadly Skies</b> and <b>Vikings</b> and strong group sales.	

<b>On-site attendance (in '000s)</b>	
Result	1,739
Target	1,435
2015–16 Result	1,690
<b>Analysis</b>	
On-site attendance results were exceptional. The Museums received 1,739,000 visitors, compared to the target of 1,435,000. The high event attendance is mainly due to rentals and events, such as the Christmas-tree-lighting ceremony, the New Year’s Eve celebrations to mark the beginning of Canada 150, and RBC Bluesfest. It is also due to both Museums being key destinations in the schedule of tour-group operators.	

*Crowd-pleasing exhibitions drive strong attendance figures*

The popularity of exhibitions at both the Canadian Museum of History and the Canadian War Museum produced attendance figures that exceeded expectations. For example, the popular exhibition **Thomas & Friends™ – Explore the Rails**, created by the Minnesota Children’s Museum, attracted large numbers of families to the Canadian Children’s Museum. **Deadly Skies – Air War, 1914–1918**, which used an innovative graphic novel presentation, also surpassed audience projections. Another highly popular exhibition was **Napoleon and Paris**, which examined how Napoleon, a man of vision, reshaped Paris and filled it with enduring institutions.

Special Exhibitions	*Attendance
<b>Canadian Museum of History</b>	
<b>Vikings</b> December 3, 2015 – April 17, 2016	122,785
<b>Thomas and Friends™ – Explore the Rails</b> January 29 – May 1, 2016	94,571
<b>Horse Power – The Paul Bienvenu Carriage Collection</b> March 24, 2016 – January 7, 2018	182,230
<b>Gold Rush! – El Dorado in British Columbia</b> April 8, 2016 – January 15, 2017	140,748
<b>Napoleon and Paris</b> June 16, 2016 – January 8, 2017	160,914
<b>Huicholes – A People Walking Towards the Light</b> February 10, 2017 – March 19, 2017	11,723
<b>Canadian War Museum</b>	
<b>World War Women</b> October 23, 2015 – April 3, 2016	51,304
<b>Deadly Skies – Air War, 1914–1918</b> June 10, 2016 – January 29, 2017	122,307
* Total attendance as of March 31, 2017	

*Sombre centenary provides opportunity for reflection*

The War Museum's [Traces of the First World War – Newfoundland and Labrador](#) examined how the tragedy of the First World War affected people in Canada's easternmost province, in ways that are still felt today. Alongside the main exhibition was a special photo exhibition, entitled **July 1, 1916 – The Somme and Beaumont-Hamel**, recounting the devastation of the Battle of Beaumont-Hamel that decimated the Newfoundland Regiment.

<b>Number of follow-up actions on audit recommendations that have been completed</b>	
Result	<b>4</b>
Target	16
2015–16 Result	10
<b>Analysis</b>	
<p>The target was based on the recommendations to be completed in the 2016–17 fiscal year, as well as the estimated recommendations stemming from completion of the Audit of Collections Management, which was unfortunately delayed and carried forward into 2017–18. This, coupled with the major priority being the <b>Canadian History Hall</b>, changes in leadership positions and internal operational challenges, led to these results. However, the Museum did complete four audit recommendations, one of which was long-standing. The Museum expects to get back on track in 2017–18 once the <b>Canadian History Hall</b> opens on July 1, 2017.</p>	

*The corporation responds to audit recommendations*

The Canadian Museum of History, a Crown corporation, maintains an internal audit function that is guided by a three-year risk-based audit plan. The plan was up for renewal in 2016, so the Museum conducted a review of the corporation and renewed the corporate risk profile during the 2016–17 fiscal year. A list of risks was developed and validated by the Board of Trustees, and the risk-based audit plan will be updated accordingly.

In addition, the Office of the Auditor General of Canada conducts an Annual Attest Audit of the corporation’s financial statements. In 2016–17, the corporation addressed several audit recommendations, including the completion of the 2014–15 Attest Audit recommendation regarding capital assets. As well, internal auditors completed the Audit of Collections Management and are currently working on the Audit of Systems and Practices for Performance Management, Succession Planning and Staffing, which will be completed in 2017–18.

<b>Number of key research projects that are progressing as planned or completed</b>	
Result	<b>97</b>
Target	31
2015–16 Result	32
<b>Analysis</b>	
<p>Research was on track and far exceeded its annual target at the Museum. A total of 97 research projects progressed as planned or were completed by the end of the fiscal year. Research projects included the preparation for the opening of the exhibition <b>Hockey</b>, and research on <b>The Franklin Expedition</b>, <b>Vimy – Beyond the Battle</b> and <b>The Last 100 Days</b>. Research was completed for the exhibition <b>Witness – Fields of Battle Through Canadian Eyes</b>, which opened in Arras, France, in March 2017.</p>	

*Original research informs new exhibitions and special projects*

Historians at the War Museum performed exhibition-related research for [World War Women](#), [Deadly Skies](#), [Vimy – Beyond the Battle](#), [Preserved in Stone – Underground Art of the First World War](#), the travelling version of [Witness – Fields of Battle Through Canadian Eyes](#), and the Beaumont-Hamel photo

exhibition. Research was also undertaken to support upgrades to Galleries 2, 3 and 4 for content related to the Battle of Vimy, the air wars, D-Day and the period after the Cold War.

At the Museum of History, a research partnership with the community of Arctic Bay, Nunavut — part of an ongoing repatriation project with the Nunavut government — led to the recreation of an ancient Inuit man. The remains of the man, who lived 800 years ago, were excavated by Museum staff in 1959. Recently, his remains were replicated with 3D scanning and printing technology, and a forensically accurate reconstruction of his face and body was made. An Arctic Bay Elder created traditional animal-skin clothing for the mannequin, and Museum staff collaborated with community members to reconstruct his life and appearance. The reproduction and the man's life story will be displayed in the **Canadian History Hall**.

Also at the Museum of History, a research project on contemporary Indigenous art movements is exploring the connections between individual artists and collective memory. The research examines artworks that are linked to current events and challenges to Indigenous ways of life.

Meanwhile, an oral-history project is documenting the experiences of Syrian refugees to Canada and the community groups that have mobilized to support them. Research on games and gaming is also being undertaken for future exhibitions.

#### *Archaeological research unearths history's lingering mysteries*

An archaeological team traveled to the lower Severn River area in northwestern Ontario, where Indigenous people lived for thousands of years and where a Hudson Bay Company fort existed between 1685 and 1690. Having conducted research there between 1981 and 1984, the Museum's curator of central archaeology returned to address remaining unanswered questions, such as whether the French returned to the area after the territory was returned to the British under the 1713 Treaty of Utrecht. Researchers faced challenges, including changes to the area's landscape and the obvious disruption caused by "souvenir hunters."

The E'se'get Archaeology Project was initiated by the Museum of History in 2008 to define the archaeological history of Nova Scotia's South Shore. Now, it is almost complete. The most successful digs took place in 2010 and 2012, when intact wigwam floors, the first sweat lodge ever excavated in the Atlantic provinces, and over 22,000 artifacts were among the valuable items unearthed. Since then, work has continued in the laboratory, where discoveries have been analyzed, labelled, catalogued and described. Academic papers, public lectures and media engagements have also resulted from the research.

#### *History comes to life through digital media*

From the establishment of the Hudson's Bay Company, to Viola Desmond's challenge to racial segregation in Nova Scotia, to the introduction of federal old-age pensions... these landmarks of Canada's past — and many others besides — become food for thought on the [Museum of History blog](#). The blog's capsule reports on important events, objects and people are both learning tools in themselves and footnotes to Museum programs and exhibitions. Subject matter is often related to current events, such as the series of posts on Indigenous history that coincided with National Aboriginal History Month. As well, a series called [Behind the Scenes](#) provides a glimpse of staff favourites from the Museum collections and news on recent Museum developments.

[Inside History](#) is another special feature of both Museums' websites. This digital magazine offers more detailed portraits of key episodes in Canadian and world history. It tackles subjects ranging from the political cult of Wilfrid Laurier, to the signing of the Magna Carta, to the defining battles of the First and Second World Wars.

Meanwhile, [History in 150 Events](#), another website feature, counted down to the 150th anniversary of Confederation by presenting — on each of the 150 days preceding the July 1, 2017 commemoration commencement — a single portrait of a notable moment in the life of Canada. Short summaries are accompanied by a revealing, captivating image.

Another digital initiative was the installation of a 16' x 9' digital wall at the Museum of History, comprised of sixteen large screens that communicate Museum offerings. In addition, the Museum has shifted its websites to the cloud, providing faster response times for visitors, and has initiated an online booking program for schools.

#### *Museum publishing hits the mark*

The Museum of History has joined forces with the University of Ottawa Press to create the [Digital Mercury Series](#), which makes a collection of 500 Mercury Series books published since 1972 available as ebooks. The Mercury Series is the Museum of History's primary vehicle for publishing academic research, in English and French. The new digital series will offer unprecedented access to a large body of research in Canadian history, archaeology, culture and ethnology.

The Museum of History received a [Gold Quill Award](#) from the International Association of Business Communicators (IABC) for its souvenir exhibition catalogue series. The series was launched in 2012 and its volumes, commemorating both War Museum and Museum of History exhibitions, are distributed widely. The Gold Quill was awarded in June 2016 at the IABC's World Conference in New Orleans.

#### *Online database makes Museum collections more accessible across Canada*

A newly renovated online collections database now provides people across the country with easier access to a virtual vault of more than 280,000 objects from [Museum of History](#) and [War Museum](#) collections. The online service has been available for almost 20 years. Now, the upgrades make the system easier to navigate through features such as advanced search support and a "more like this" button, which finds objects similar to those previously searched. Students, researchers and others can discover and share artifacts from their computers, smartphones or tablets.

## Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience

### Priorities

- Develop exhibitions on themes of personal relevance to Museum visitors, such as **Hockey** and **The Last 100 Days**.
- Bring exhibitions to the National Capital Region from Canadian partner museums that add community perspectives to the national narrative.
- Engage Museum visitors in the use of existing and emerging platforms.

### Summary of Performance

The corporation was slightly below the target for travelling exhibitions but exceeded the target for special exhibitions. There were 25 new openings of travelling exhibitions compared to a target of 28. This is attributed to the cancellation of two bookings and one deferral. Examples of new travelling exhibitions include **Gold Rush! – El Dorado in British Columbia**, which opened in that province, and **Witness**, which opened in Arras, France, for the 100th anniversary of the Battle of Vimy Ridge.

The Museum successfully opened 11 special exhibitions, compared to its target of seven. Targets were exceeded both corporately and by each Museum. Notable examples include **Napoleon and Paris**, **Hockey**, **Deadly Skies** and **“Nice Women Don’t Want the Vote.”**

Together, these activities added a community perspective to the national narrative. They also enabled the Museum to broaden its national and international presence, and meet its objective to reflect Canadian narratives, symbols and achievements. It is through these activities that the Museum connects Canadians to their history and leaves visitors with a sense of a personal connection to their Museum experience.

### *Social media links Canadians everywhere with their Museums*

The Museums continued to build on their use of social media to bring the Museums to Canadians and to bring Canadians to the Museums.

All forms of social media showed an increase in the number of followers. By the end of the second quarter, English [Facebook](#) “likes” stood at 20,263 and at 7,992 for French Facebook (up 8 percent and 11 percent, respectively, from the previous quarter). [Twitter](#) followers rose to 70,772 in English and 3,312 in French (rises of 2 percent and 7 percent). The newly launched [Instagram](#) platform rose to 1,120 followers in English and to 325 in French (up 69 percent and 103 percent), with photos of the iconic Museum of History building proving especially popular.

### *Special events get special results*

Special events on social media generated significant success. Among them was the War Museum’s Facebook livestream of Remembrance Day events from Memorial Hall, which had an exceptional 15,000 views within the first week it was available. Canada Remembers shared our Facebook post promoting the webcast, resulting in a total reach of nearly 175,000, as well as 3,000 post clicks, more than 800 reactions and nearly 300 shares.

A Facebook Live tour of the **Deadly Skies** special exhibition was similarly well received. Additionally, Facebook Live was the vehicle for a 2016 Canada Day preview of the **Canadian History Hall**. Many social media initiatives benefited from the participation of “influencers,” such as Ottawa Bluesfest (which promoted the Bluesfest-Deadly Skies contest), the Canadian Space Agency and *Canadian Geographic* magazine (both of which helped promote the Canada-from-space image in the Hub of the **Canadian History Hall**).

The Museum of History also developed a Rio Summer Olympics twitter campaign that linked Museum artifacts to sports in which Canadians had won a medal. A Pokémon Go twitter campaign resulted in 295 different engagements. The Museum of History also partnered with [#canada150](#) on their Light

Canada Red initiative, marking the 50-day countdown to the beginning of 2017. Images of the Museum lit red at night were popular both on Twitter and Instagram.

<b>Number of new openings for travelling exhibitions that connect Canadians to their history</b>	
Result	25
Target	28
2015–16 Result	22
<b>Analysis</b>	
The Museum opened 25 travelling exhibitions, which was slightly below the target of 28. Two expected bookings for the exhibition <b>Fighting in Flanders – Gas. Mud. Memory.</b> were cancelled and one booking for the exhibition of <b>1867 – Rebellion and Confederation</b> was deferred. Highlights included the opening of <b>Gold Rush!</b> in British Columbia, a result of one of the largest History Museums Network exhibition projects, and <b>Witness</b> in Arras, France, on the centenary of the Battle of Vimy Ridge, with French and Canadian VIPs in attendance.	

### **Travelling Exhibitions**

This past year, 13 exhibitions travelled to 33 venues. All told, they were seen by more than 233,426 visitors in communities across the country, in the United States (Washington, D.C.) and in Europe (Greece and France).

#### **Haida – Life. Spirit. Art.**

1. Archaeological Museum of Thessaloniki, Greece  
October 2015 to April 2016

#### **Kids Celebrate!**

2. Musée des religions du monde, Nicolet, QC  
November 2015 to April 2016
3. Manitoba Children’s Museum, Winnipeg, MB  
May to September, 2016
4. Galt Museum & Archives, Lethbridge, AB  
September 2016 to January 2017
5. Timmins Museum: National Exhibition Centre, Timmins, ON  
February to April, 2017

#### **Snow**

6. Markham Museum, Markham, ON  
January to April, 2016
7. Centre d’exposition d’Amos, Amos, QC  
October 2016 to January 2017



8. Niagara Falls Museums, Niagara Falls, ON  
January to April, 2017

**Terry Fox – Running to the Heart of Canada (2D version)**

9. Glanmore National Historic Site, Belleville, ON  
February to May, 2016
10. Diefenbaker Canada Centre, Saskatoon, SK  
February to June, 2016
11. Nanaimo Museum, Nanaimo, BC  
July to September, 2016
12. Canada's Sports Hall of Fame, Calgary, AB  
July to December, 2016
13. Peel Art Gallery, Museum and Archives, Brampton, ON  
February to June, 2017
14. Dufferin County Museum and Archives, Mulmur, ON  
March to May, 2017

**Fighting in Flanders – Gas. Mud. Memory. (2D version)**

15. Lake of the Woods Museum, Kenora, ON  
March to April, 2016
16. Chimczuk Museum, Windsor, ON  
May 2016
17. The Fort Museum, Fort Macleod, AB  
June to August, 2016
18. Sooke Region Museum, Sooke, BC  
September to December, 2016
19. Embassy of Canada, Washington D.C.  
November 2016

**Terry Fox – Running to the Heart of Canada (3D version)**

20. The Museum, Kitchener, ON  
April to June, 2016
21. The Manitoba Museum, Winnipeg, MB  
July to October, 2016

**1867 – Rebellion and Confederation (2D version)**

22. Canada Post, Ottawa, ON  
September 2016

23. Ermatinger Clergue National Historic Site, Sault Ste. Marie, ON  
September to December, 2016

24. Musée Héritage Museum, St. Albert, AB  
January to March, 2017

25. New Iceland Heritage Museum, Gimli, MB  
January to April, 2017

**Lace Up! Canada's Passion for Skating**

26. Kitimat Museum and Archives, Kitimat, BC  
September to November, 2016

27. Elgin County Museum, St. Thomas, ON  
January to March, 2017

**Witness – Fields of Battle Through Canadian Eyes**

28. Beaverbrook Art Gallery, Fredericton, NB  
September 2016 to January 2017

29. Musée des beaux-arts, Arras, France  
March to June, 2017

**Fighting in Flanders – Gas. Mud. Memory. (3D version)**

30. Musée Royal 22<sup>e</sup> Régiment, Québec City, QC  
October 2016 to February 2017

**Enemy Aliens – Internment in Canada, 1914–1920**

31. Museum Strathroy-Caradoc, Strathroy, ON  
October 2016 to February 2017

**1867 – Rebellion and Confederation (3D version)**

32. Canadian Museum for Human Rights, Winnipeg, MB  
December 2016 to May 2017

**Drawing From the Past – Depicting Inuit Modernity in the North Baffin Region, 1964**

33. Agnes Etherington Art Centre, Kingston, ON  
January to April, 2017

*Virtual Museum bolsters Canada's online cultural presence*

The Virtual Museum of Canada (VMC), managed by the Canadian Museum of History, is a program that makes investments to help Canadian museums and heritage organizations present material from their collections online. The website [virtuallmuseum.ca](http://virtuallmuseum.ca) showcases a wide range of stories and exhibitions.

This year, the VMC invested in 10 new virtual exhibits including **Leonard Cohen: A Crack in Everything; Dive into the Bay of Fundy; British Columbia Totems: A Diversity of Voices; and The Great War in Translation**. VMC also invested in 23 new “Community Stories” projects, conducted focus groups among

museum professionals across the country, and refreshed its website and improved its search capabilities.

*Important initiatives strengthen the Museum’s bond with First Nations*

A flourishing relationship between the Museum of History and First Nations continued to grow. The First Nations Advisory Committee on the **Canadian History Hall** played a key role in advising Museum staff on what stories should be included in the Hall to represent the history of Aboriginal peoples, and how those stories should be told. The [RBC Aboriginal Training Program in Museum Practices](#) also continues to build on a longstanding collaboration. The program trains First Nations, Métis and Inuit people in a wide range of museum specialties. Established in September 1993, the program has seen more than 90 trainees from 40 different Aboriginal nations across Canada successfully complete the program.

<b>Number of special exhibitions that add community perspective to the national narrative</b>	
Result	11
Target	7
2015–16 Result	8
<b>Analysis</b>	
The Museum exceeded its annual target of seven special exhibitions and presented a total of 11. Examples include <b>Napoleon and Paris</b> , which opened on June 16, 2016 and was developed in partnership with the Musée Carnavalet – Histoire de Paris and Paris Musées, and <b>Hockey</b> , which opened on March 9, 2017. The latter exhibition was developed in collaboration with History Museums Network partners. Other examples include <b>Deadly Skies</b> , which opened on June 10, 2016, and <b>“Nice Women Don’t Want the Vote,”</b> which opened on October 5, 2016.	

*The Museums are making headlines in traditional media*

In the second quarter alone, the Museum of History generated 1,143 news stories with the potential to reach more than 53,230,000 people. Among the highlights of the year was a highly positive [Globe and Mail feature](#) on the **Canadian History Hall** exhibition, with a potential reach of more than 132,000. Special exhibitions also attracted considerable attention. **Napoleon and Paris** generated 13 news items with a potential reach of more than 500,900. Three exhibitions organized under the History Museums Network — [Gold Rush! – El Dorado in British Columbia](#), [The Franklin Expedition](#), and [Horse Power – The Paul Bienvenu Carriage Collection](#) — together generated 23 news items with a potential reach of more than 2,310,300.

During the same period, the War Museum generated 587 news items with a potential reach of more than 20,700,000. A media preview for the [World Press Photo](#) special exhibition drew journalists from 13 outlets. The exhibition generated 45 news items with a potential reach of more than 768,250. Special exhibitions **Deadly Skies** and **Traces of the First World War** generated 11 news items, with a potential reach of more than 472,000.

*New space provides a resource for outreach*

A new space has opened at the Museum of History that will enable museum professionals to better showcase their work, assets and expertise. The [Resource Centre](#) is a multifunctional area that can be used to host presentations, forums and multimedia displays on topics such as Museum activities and recent acquisitions. It is also open for use by the Museum’s partners.

## Develop a collection that better reflects Canada's history and distinctiveness

### Priorities

- Ensure the Museums' acquisition strategies are focused on collecting objects of historical significance.
- Expand efforts to acquire objects by cultivating relationships with collectors and by actively pursuing donations, such as the Roué collection.
- Position the Museums as the national repository of objects that reflect and have shaped Canada's history.

### Summary of Performance

The corporation surpassed the established objective in relation to this Strategic Direction. The Museums acquired 33 nationally significant artifacts compared to the target of 32. Examples of notable acquisitions include a carved medallion depicting the Honourable George Francis Gillman Stanley, a bronze statue of Queen Elizabeth II by Saskatchewan artist Susan Velder and an inkwell belonging to Sir Wilfrid Laurier. Other acquisitions include a medal set and memorial plaque for Private George Lawrence Price, the last Canadian soldier killed in the First World War, the sculpture *Safe* by Montreal artist Maskull Lasserre, and an original 1917 grave marker belonging to J. F. Ashe of the 26th N.B. Battalion.

These nationally significant artifacts allowed the Museums to broaden their national collections and acquire Canadian treasures that reflect historical moments in Canadian history.

### *New plan puts future collections on a solid footing*

The Museum of History and the War Museum have finalized a new Collections Development Plan that will set priorities for the development of new collections and the enrichment of existing collections at both Museums over the next ten years. It sets out guiding principles to ensure the continued preservation of collections; the building of knowledge associated with the collections; the accessibility of the collections to Canadians; and the upholding of ethical principles. The plan also addresses issues such as digitization and repatriation of Indigenous artifacts, and establishes guidelines to determine acquisition priorities.

### *Collection reveals the intrigue and courage behind "the Canadian caper"*

In 1980, Canadian embassy staff in Tehran risked their lives by smuggling six American diplomats out of revolution-era Iran. The episode, known as "[the Canadian Caper](#)," made international headlines, earned Ambassador Ken Taylor the Order of Canada, and later became the subject of the 2012 Academy Award-winning film *Argo*. The Museum of History acquired a unique and sometimes-startling collection of artifacts related to this historic event from Canadian television producer Les Harris. The collection consists of film reels, audio recordings, transcripts and photographs, and contains rare interviews with the escapees and their helpers as well as the only known photographs of the Americans in hiding. The Museum hopes to digitize the materials to make them available to the public.

Number of nationally significant acquisitions that reflect Canadian history	
Result	33
Target	32
2015–16 Result	44
<p><b>Analysis</b></p> <p>The annual target for nationally significant acquisitions was surpassed, with the acquisition of 33 artifacts compared to the annual target of 32. Overall, the number of nationally significant acquisitions for the year was lower than 2015–16, when 44 artifacts were acquired. Fiscal year 2015–16 was exceptional due to the focus on acquiring artifacts for the <b>Canadian History Hall</b>. Among the acquisitions are a carved medallion depicting the Honourable George Francis Gillman Stanley, a bronze statue of Queen Elizabeth II by Saskatchewan artist Susan Velder and an inkwell belonging to Sir Wilfred Laurier. Other acquisitions include a medal set and memorial plaque for Private George Lawrence Price, the last Canadian soldier killed in the First World War, the sculpture <i>Safe</i> by Montreal artist Maskull Lasserre, and an original 1917 grave marker belonging to J. F. Ashe of the 26th N.B. Battalion.</p>	

#### *Artifacts shed light on Atlantic Canada's boat-building history*

The celebrated schooner *Bluenose*, which won the International Fishermen's Trophy in 1921 and other races throughout the 1920s and 1930s, has long been a symbol of Canada at home and abroad. The Museum of History has acquired a collection of artifacts that belonged to the *Bluenose's* designer, William James Roué, a skilled architect who designed vessels ranging from small pleasure craft to ferries, fishing boats, and sectional barges used by Britain's Ministry of War Transport.

Designated as a collection of "outstanding significance and national importance" by the Canadian Cultural Property Export Review Board, the [Roué artifacts](#) will contribute significantly to the study of 20th century naval architecture and wooden ship and boat building in Atlantic Canada. They come to the Museum from Roué's great-granddaughter, Joan Roué.

#### *McGee portrait adorns the Canadian History Hall*

Artist Bell Smith's 1868 oil painting of Thomas D'Arcy McGee, depicting the parliamentarian and Father of Confederation standing before a red backdrop with the Parliament Buildings in the distance, is now on loan to the Museum of History. It will be on display in the **Canadian History Hall**. The portrait was to be presented to McGee on his 43rd birthday, on April 13, 1868, but the politician was assassinated the week before, on April 7. The painting is owned by D'Arcy Quinn, McGee's great-great-grandson.

#### *Artifacts convey the reality of life during war*

The War Museum acquired several artifacts that speak of Canadians' experience serving in various wars. A rare wooden grave marker that once marked the final resting place of Private John Firman Ashe, a soldier at Vimy Ridge on April 9, 1917, was displayed as part of the **Vimy – Beyond the Battle** exhibition. The marker was donated by Jim Landry, great-nephew of Private Ashe.

A ventriloquist's dummy and accompanying dog puppet acquired by the War Museum recall the variety shows that entertained troops during the Second World War. The dummy and puppet were used by Russell Whitebone, a former vaudeville performer once billed as "The World's Youngest Trapeze Artist," who travelled to Royal Canadian Legion halls and health facilities as part of "The Army Show." Two plywood boards from around the hockey rink installed at the Kandahar Airfield in Afghanistan were

donated to the War Museum and the Hockey Hall of Fame, after being ceremonially removed from the airfield. In Afghanistan, soldiers played 30-minute games of hockey to relieve the pressure of working in hot and dangerous circumstances.

#### *Medals, memorials recall tragedies of the First World War*

The War Museum acquired the [medal set and memorial plaque](#) in honour of Private George Lawrence Price, the last Canadian soldier killed during the First World War. The Nova Scotia-born Private Price, who was a Saskatchewan farm worker when he was conscripted, is believed to have been shot through the chest at approximately 10:50 a.m. on November 11, 1918, while on patrol in Ville-sur-Haine, Belgium. The artifacts were donated by the Royal Canadian Legion in Kentville, Nova Scotia, with the support of descendants of Private Price.

#### *Varley's Second World War work enhances the Beaverbrook Collection*

The War Museum made a significant addition to its Beaverbrook Collection of War Art with its acquisition of [Frederick Varley's Second World War portrait](#) of Naval Officer Harry Kelman. Varley, an original member of the Group of Seven, had been commissioned by the Canadian War Records office as an official war artist during the First World War. In the following war, Varley painted several portraits of military personnel stationed in Kingston, Ontario. The portrait was acquired from an auction, with support from the Beaverbrook Canadian Foundation's gift to the National Collection Fund.

#### *Images preserve the realities of life in a Second World War internment camp*

The War Museum acquired a [photo album created by Michiko "Midge" Ayukawa](#), a Japanese-Canadian who, as a teenager, was interned with her family at the Lemon Creek internment camp in Slocan Valley, British Columbia. More than 100 candid snapshots record conditions at the camp and capture images of the teenager's friends, in the process casting light on how interned people coped with forced relocation, confinement and other conditions during the war and in its aftermath. Most of the photos are meticulously captioned with names, dates and locations.

Ayukawa would later work at the National Research Council in Ottawa, and she taught chemistry at Carleton University and the University of Victoria. Changing focus in the 1980s, she earned a master's degree and a PhD focusing on the lives of Japanese immigrants. Dr. Ayukawa's family offered the album and related photographs to the War Museum.

#### *Ship's wheel provides a rare reminder of the Royal Canadian Navy's beginnings*

The War Museum has acquired one of the few remaining artifacts — [the ship's wheel](#) — from HMCS *Niobe*, one of Canada's first two warships. Launched in 1897, the ship served with the Royal Navy until 1910, after which it was purchased by the Naval Service of Canada, later the Royal Canadian Navy. The *Niobe* saw active service early in the First World War and, while on service as a depot ship in 1917, members of its crew played a significant role in responding to the Halifax explosion. In 1920, the *Niobe* was scrapped in the United States. The War Museum purchased the wheel from the Camden Shipyard & Maritime Museum, in New Jersey, with the support of the National Collection Fund.

## Engage dynamic partnerships and networks across Canada and internationally for mutual benefit

### Priorities

- Further develop the History Museums Network to include First Nations museums and cultural centres.
- Initiate or participate in partnerships with like-minded institutions, such as large-scale international consortiums and local cultural institutions.
- Continue to establish and build upon international partnerships to enhance Canadians' awareness of world history and cultures.

### Summary of Performance

The corporation exceeded the established objectives in relation to this Strategic Direction, with the exception of the number of projects initiated through the History Museums Network, which was lower than the target. The Museum partnered with a variety of institutions to offset costs, produce exhibitions and participate in loan agreements.

In 2016–17, the Museum successfully initiated a total of 78 partnerships and collaborations, far surpassing its target of 26. Among the partnerships was one with the National Maritime Museum in London to develop **The Franklin Expedition**, another with the National Gallery of Canada to support the reinstallation of the Gallery's Canadian and Indigenous Galleries, and one with the Society for Military History to host the 2016 Society of Military History Conference. The Museum has also been active in promoting partnerships and collaborations throughout the larger museum community. As an example, the Museum partnered with the Department of Canadian Heritage to honour Black History Month, and it partnered with the Musée des Beaux-Arts in Arras to present the exhibition **Witness**. However, the Museum did not reach its target for the number of partnerships initiated through the History Museums Network, mainly due to fewer opportunities for network partners to meet. There were two partnerships initiated in 2016–17, compared to the target of 10, one with the Canadian Museum for Human Rights and the other with Pointe-à-Callière. Other partnerships are in the discussion phase, are on track, or have been completed.

These initiatives have allowed the Museum to be active in the community, not only nationally but internationally. These partnerships mutually benefit all parties, including visitors, by presenting exhibitions and hosting events that may not have otherwise occurred.

### *Museums remain central to sesquicentennial celebrations*

The Museum of History partnered with the Canada 150 Federal Secretariat of the Department of Canadian Heritage to host a media event to mark the 150-day countdown to Canada's sesquicentennial celebrations. The event and the significant radio, television, newspaper and online coverage it generated helped to position the Museum as a key site for celebrations of the 150th anniversary of Confederation.

### *Archival materials move into the public eye*

A partnership between the Museum of History and Library and Archives Canada (LAC) resulted in the creation of **Treasures From Library and Archives Canada**, a new gallery within the Museum. The new gallery will showcase some of the most historically significant documents from LAC's collections, giving Museum visitors unprecedented access to some of Canada's foundational documents.

<b>Number of partnerships and collaborations initiated</b>	
Result	78
Target	26
2015–16 Result	79
<p><b>Analysis</b></p> <p>Overall, the Museum far exceeded its target for the year, forming 78 partnerships compared to the 26 forecasted. Among the partnerships in 2016–17, the Museum partnered with the National Maritime Museum in London to develop <b>The Franklin Expedition</b>, as well as with the National Gallery of Canada to support the Gallery's Canadian and Indigenous Galleries Reinstallation. The Museum also partnered with the Department of National Defence for the biennial presentation of the Canadian Forces Artists Program exhibition and with the Society for Military History to host the 2016 Society of Military History Conference. Of note, the Hot Docs partnership presented a documentary film targeting a high-school audience, which was highly successful and unplanned at the time of the setting of the annual target.</p> <p>To further establish the Museum as a hub of history and to engage in dynamic collaborations, both domestically and internationally, the Museum also partnered with the Department of Canadian Heritage to celebrate Black History Month and to host a CBC Town Hall on missing and murdered Indigenous women. As part of the joint Canada–France Vimy commemorations, the Musée des Beaux-Arts in Arras launched the Canadian War Museum’s exhibition <b>Witness</b> on March 17, 2017.</p>	

*Partnerships bring economics, history and geography together at the Museums*

Two exhibitions from the Bank of Canada Museum have been on view at the Museum of History. **Swindle! Canadian Phantom Banks** tells the story of a “phantom bank” that peddled phony paper money in the turbulent economy of 1837. A second exhibition, **Mining the Miners – Klondike Gold: It Wasn’t All Mined with Picks and Shovels**, explores life and economics in the wild and woolly frontier metropolis. The Museum of History also partnered with the Bank of Canada to announce that Viola Desmond, who stood up to racism in Nova Scotia, would be the first Canadian woman to appear on the ten-dollar bill. The announcement was made at the Museum by Finance Minister Bill Morneau and Desmond’s younger sister, Wanda Robson. The event generated widespread national and international news coverage.

The Museum of History partnered with Canada’s History to host the Governor-General’s History Award for Excellence in Teaching. Over 80 teachers, attending the event from across Canada, saw a presentation on the **Canadian History Hall**. Canada’s History also partnered with the War Museum to present the Canada’s History Youth Forum and the Governor General’s History Awards.

The Royal Canadian Geographic Society and the Museum of History joined forces to host a TED talk-style event on the Inuit oral tradition and the explorer Sir John Franklin. Over 400 people attended the lecture and reception.

*Royal Society bestows honour*

At its Annual General Meeting held at the War Museum, the Royal Canadian Geographic Society elected Museum President and CEO Mark O’Neill and Director General Jean-Marc Blais as Fellows of the Society. They join the company of past and current fellows which include anthropologist and explorer Diamond



Jenness, businessman E. P. Taylor, and television host and philanthropist Alex Trebek. The election of Mark O'Neill and Jean-Marc Blais is an acknowledgement of their work to preserve, present and share the history of Canada.

#### *The Press Gallery marks a milestone*

A collaboration with the Canadian Parliamentary Press Gallery saw the prestigious Press Gallery Dinner, this year marking the Gallery's 150th anniversary, take place at the Museum of History. Along with journalists from across Canada, attendees included Prime Minister Justin Trudeau and Ms. Sophie Gregoire-Trudeau, Conservative Leader Rona Ambrose and NDP Leader Tom Mulcair.

#### *Major events highlight the importance of Aboriginal issues*

In partnership with Indigenous and Northern Affairs Canada, the Museum of History hosted a sunrise ceremony on National Aboriginal Day, June 21. The event was attended by over 300 people, including the Prime Minister, the Minister of Indigenous and Northern Affairs, Indigenous leaders and members of many Aboriginal communities. The Museum of History and Indigenous and Northern Affairs Canada also partnered on a press conference announcing the National Inquiry into Missing and Murdered Indigenous Women and Girls.

The Museum of History partnered with the Native Women's Association of Canada to announce the loan of Maxine Noel's painting *Not Forgotten*. The painting, which honours missing and murdered Indigenous women and girls, will be included in the new **Canadian History Hall**.

#### *Quebec museum group meets in Gatineau*

A partnership between the Museum of History and the Société des musées du Québec (SMQ) brought the SMQ's annual meeting and symposium to the Museum. The 230 delegates from museums, exhibition centres and interpretive sites across the province received tours of collection and conservation facilities and the **Canadian History Hall**.

#### *The Red Couch travels from coast to coast to coast*

The Museum of History partnered with the Department of Canadian Heritage to unveil the Red Couch, one of the department's Canada 150 Signature Initiatives. Canadians are invited to sit on the Red Couch, which is travelling across the country, and tell their stories as cameras roll. The launch generated widespread news coverage, with a combined reach of 243,000, as well as mentions on the popular travel website Lonely Planet.

<b>Number of projects initiated through the History Museums Network</b>	
Result	<b>2</b>
Target	10
2015–16 Result	22
<b>Analysis</b>	
<p>The Museum did not reach its annual target of 10 projects initiated through the History Museums Network as there were fewer opportunities for the Network to meet this year compared to previous years. However, the Museum initiated two partnerships in 2016–17, one with the Canadian Museum for Human Rights and the other with Pointe-à-Callière. Though there were fewer projects initiated than anticipated, there were numerous discussions on potential projects. Examples include discussions launched with representatives from Indigenous centres to form a network of museums and associated centres. Discussions are also on track with the Manitoba Museum on an opportunity to partner on the Hockey Expo. All other partnerships are on track or have been completed, such as the Canada Day Challenge 2017 with the Department of Canadian Heritage, which was completed, with a new addition being planned for 2018–2019.</p>	

#### *History Museums Network extends the reach of national and regional museums*

Through the History Museums Network, the Museum of History has continued to bring important exhibitions from across Canada to the National Capital Region, while giving Canadians across the country greater access to exhibitions created by the Museum of History.

An innovative “[pop-up display](#),” developed by Parks Canada and the Royal Ontario Museum, brought a capsule electronic version of the exhibition **The Franklin Expedition** to the ten museums that form the Franklin Museum Network. The full exhibition will be on view at Great Britain’s National Maritime Museum in July 2017 and at the Canadian Museum of History in March 2018.

History Museums Network exhibitions that travelled to the Museum of History include the Manitoba Museum’s “[Nice Women Don’t Want the Vote](#),” which celebrated the 100th anniversary of Manitoba women winning the vote; **Gold Rush!**, an exhibition exploring the impact of gold rushes on the province and internationally, organized by the Royal BC Museum in collaboration with the Canadian Museum of History; and **Horse Power**, an exhibition of exquisite horse-drawn vehicles from the Paul-Bienvenu Carriage Collection at the Musées de la civilisation in Québec City.

Additionally, [Sir John A. Macdonald – Rare and Intriguing Treasures From the Vaults of Library and Archives Canada](#) brought to the Museum of History numerous artifacts relating to Canada’s first Prime Minister, including a page from an original draft of the *British North America Act*, thought to be handwritten by Macdonald himself, and the telegram announcing the driving of the Last Spike at the end of construction of the Canadian Pacific Railway.

#### *International collaborations bring Canada to the world, and the world to Canada*

Commemoration of Canadian involvement in the Battle of Vimy Ridge during the First World War provided the backdrop for the display of the War Museum exhibition **Witness – Fields of Battle Through Canadian Eyes** at the Musée des beaux-arts in Arras, France. Created by the War Museum in 2014, this travelling exhibition features artworks created on the battlefield by 61 artists, including Canadian soldiers and celebrated Canadian artists such as A. Y. Jackson, Frederick Varley, Arthur Lismer and Frank Johnston, who later became members of the Group of Seven.

The War Museum also announced a new agreement with the Juno Beach Centre Association, a Canadian charity that operates the Juno Beach Centre in Normandy, France. The Centre is both a renowned museum and cultural centre, paying homage to the 45,000 Canadians who lost their lives during the Second World War. The agreement encourages the War Museum and the Association to collaborate on new projects to preserve the memory of Canadian involvement in the Second World War. One such collaboration was the exhibition [From Vimy to Juno](#), covering both the Battle of Vimy Ridge in 1917 and the D-Day Landings on Juno Beach in 1944, which will be on view at the War Museum in May 2017.

The exhibition **Napoleon and Paris**, examining the link between the French emperor and the city where the crucial events in his life took place, came to the Museum of History. Adapted from an exhibition developed by the Musée Carnavalet – Histoire de Paris and Paris Musée, **Napoleon and Paris** featured priceless artifacts, including Napoleon's camp bed, throne and bicorne hat, along with other personal objects, furnishings, costumes, paintings and models. The Museum of History was also host to the exhibition [Huicholes – A People Walking Towards the Light](#), showcasing the art and lives of an Indigenous group from western Mexico whose history dates back 15,000 years. The exhibition was on loan from Artes de Mexico with support from the Embassy of Mexico in Canada and the Ministry of Foreign Affairs of Mexico, through the Mexican Agency for International Development Cooperation.

#### *The world's military historians gather in Canada*

The War Museum and the Museum of History hosted the 83rd Annual Conference of the Society for Military History. The conference, which covers topics from the battles of ancient Greece to the latest research in cyber warfare, is one of the world's top events for military history. The event drew 732 delegates who participated in 95 panel sessions as well as guided tours of the Museum collections.

#### *Scholars ponder the lingering impacts of the First World War*

The World at War – International Speaker Series at the War Museum featured presentations by eminent military scholars on a range of topics related to the First World War. University of Ottawa military historian Paul Robinson lectured on the life of Grand Duke Nikolai Nikolaevich Romanov, who commanded the Russian Army during the Great War. Leading scholars Timothy Winegard, Santanu Das and Steven Purewal participated in a panel on the roles of Indigenous and colonial troops during the First World War. War Museum curator Dr. John Maker delivered a speech about aerial reconnaissance from the balloons of the First World War to today's drones. Dr. Toby Haggith, Senior Curator at the Imperial War Museum's Department of Research, provided his remarks following a screening of *The Battle of the Somme*, a UNESCO-recognized film, shot and released in 1916.

#### *Diplomats back Canadian War Museum events*

In partnership with the British High Commission and Global Affairs Canada, the War Museum hosted a screening of the documentary film *White Helmets*, which follows a group of volunteer rescue workers with the Syrian Civil Defense. The screening was followed by a panel discussion with Raed Saleh, leader of the White Helmets and chair of Syrian Civil Defense; Farouq Habib, the White Helmets' Head of International Relations; and James Le Mesurier, founder of Mayday Rescue. The event attracted approximately 230 guests and was shared online by Global Affairs Canada.

The War Museum also partnered with the Australian High Commission to host the annual ANZAC Day commemorative event, and with the Embassy of the Republic of Korea, the Korean Veterans' Association of Canada and the Korean War Commemorative Committee to host a commemorative event and reception for the 65th anniversary of the Battle of Kapyong.

### *Commemoration and dedication mark tragic world events*

The War Museum partnered with Veterans Affairs Canada to host the official ceremony commemorating the 100th anniversary of the Battles of the Somme and Beaumont-Hamel. The event was attended by dignitaries including the Prime Minister, the Governor-General, several cabinet ministers, the Chief of Defence Staff and representatives from the diplomatic corps.

The War Museum also hosted the site dedication ceremony for the National Holocaust Monument, which will face the Museum, in partnership with the Department of Canadian Heritage and the National Holocaust Monument Council. Prime Minister Justin Trudeau participated in a live television broadcast of the ceremony.

### *Canadian War Museum welcomes military families*

The War Museum partnered with Military Family Services to host a special ceremony and celebration marking 25 years of support to Canadian military families. The Museum welcomed approximately 200 guests, who were invited to participate in the Camouflage Awesome Sunday event the following weekend.

### *Community festivals establish new traditions*

The Museum of History played host to Gatineau's Festibière festival, a showcase for regional microbreweries, which featured more than 30 exhibitors, more than 350 artisanal beers and numerous food trucks. Summer and winter versions of the festival attracted over 35,000 attendees. Festibière also offers a number of family-focused activities. Similarly, the 2016 Christmas Market, an event that has been held at the Museum of History since 2014, featured the work of some 90 artisans. To mark the 150th anniversary of Confederation, a summer edition of the event is planned for July 5 to 9, 2017.

## Ensure the Museum has the financial resources to carry out its mandate

### Priorities

- Continue to develop innovative and responsible strategies to diversify revenue streams.
- Continue to implement funding strategies.
- Continue to engage the shareholder in developing a new funding model which would include inflation protection.

### Summary of Performance

The corporation met all the established objectives in relation to this Strategic Direction. The dollar value of revenue-generating activities was \$19,088,000, which far exceeded the target of \$13,713,000. This was partially due to a gain in investments that was not part of the original target. There was an increase in revenues from Museum activities such as travelling exhibitions, memberships and special events.

Fundraising goals were also surpassed, by raising a total of \$5,475,000 compared to the target of \$4,020,000. Overall, the Museum almost doubled its fundraising goal for the **Canadian History Hall** due to generous donations by the Catherine and Fredrik Eaton Charitable Foundation, The Rossy Family Foundation, The W. Garfield Weston Foundation and the Wilson Foundation. Together, the revenue-generating and fundraising activities made it possible for the Museum to increase financial resources through a variety of supplementary sources.

All three significant capital projects progressed as planned in 2016–17. These projects are the **Canadian History Hall**, the chiller-replacement project and the network upgrade. Capital projects allow the Museum to preserve and protect the integrity of its buildings.

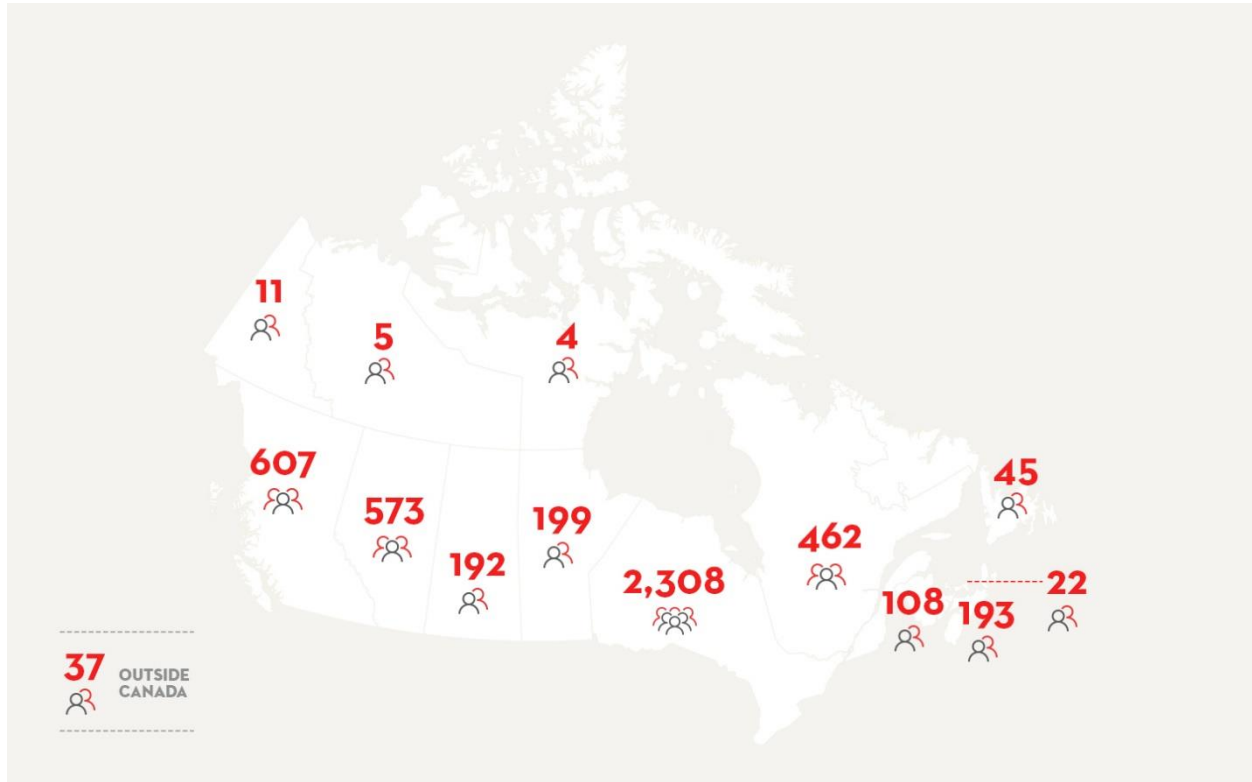
<b>Dollar value of all revenue-generating activities (in '000s)</b>	
Result	\$19,088
Target	\$13,713
2015–16 Result	\$15,966
<b>Analysis</b>	
The dollar value of revenue-generating activities for the year reached \$19,088,000, far above the target of \$13,713,000. This variance is partially due to a gain on investments of \$2.5 million that was not included in the target. This left an increase of 21 percent in regular revenues on Museum activities such as travelling exhibitions, memberships, facility rentals, special events and food services.	

<b>Dollar value of fundraising activities (in '000s)</b>	
Result	\$5,475
Target	\$4,020
2015–16 Result	\$2,913
<b>Analysis</b>	
The dollar value of fundraising activities significantly surpassed its target for fiscal year 2016–17, with a total of \$5,475,000 raised, compared to the target of \$4,020,000. Donations to the <b>Canadian History Hall</b> include major gifts from the Catherine and Fredrik Eaton Charitable Foundation, The Rossy Family Foundation, The W. Garfield Weston Foundation and the Wilson Foundation. The First World War Centenary campaign has also been a success, raising 97 percent of its target to date, including a major donation from John and Elizabeth Irving. The Museum's summer appeal, which solicited support for Canadian War Museum travelling exhibitions, was also well-received and exceeded targets. These efforts are supported with the corporation's first-ever stewardship strategy, which aims to increase stewardship activities for existing donors.	

<b>Number of significant capital projects that are progressing as planned</b>	
Result	3
Target	3
2015–16 Result	3
<b>Analysis</b>	
The Museum met its target for the number of significant capital projects progressing as planned. All three capital projects are underway and on track, which is equal to the results of 2015–16. The <b>Canadian History Hall</b> project was completed on time and in alignment with the net budget. The chiller-replacement project is on track, with the chiller tender package successfully tendered and closed. The network upgrade is on track, and one area of the Canadian Museum of History has been completed.	

## Financial Support

In 2016–17, 4,766 individuals, foundations and corporations from across Canada and abroad contributed \$5,477,409 to the Museum of History and the War Museum. The corporation is extremely grateful for their generous support.



### *New fundraising records set*

The important and ambitious work that both Museums undertake is dependent upon generous financial contributions from donors. In addition to annual contributions from more than 5,000 supporters, the Museums have received significant one-time donations that have been crucial to realizing the mandate of the Museum of History and the War Museum.

This was a record-breaking year for fundraising at the Museum of History. It raised nearly \$9 million for the **Canadian History Hall** — well beyond its \$5 million target — on the strength of over 430 donations from individuals, foundations and corporations across the country. Nearly 40 donors have been moved to contribute \$1,000 or more.

### *A donation in support of two significant First World War exhibitions*

The War Museum is grateful to John and Elizabeth Irving for providing a generous gift of \$250,000. Half of that sum was in support of **Vimy – Beyond the Battle**, and the remaining \$125,000 will support the development of a new exhibition on the final 100 days of the First World War.

*The J. L. Granatstein Reading Room honours a driving force behind the War Museum*

The War Museum has dedicated the central public space of its Military History Research Centre in honour of Dr. J. L. Granatstein. The author of more than 60 books, including the influential *Who Killed Canadian History?*, Dr. Granatstein is among a handful of people responsible for the contemporary presence of the Canadian War Museum in Ottawa. He was hired as the Museum's director in 1998 after the federal government announced its intention to construct the current building, replacing the former facilities he had decried as inadequate. A tireless promoter of the Museum, Dr. Granatstein has been a force in both academic circles and in public discourse.

*Resource Centre highlights remarkable acquisitions*

The Museum of History's newly opened, multifunctional [Resource Centre](#) highlighted a remarkable recent acquisition: the [Stewart Collection](#) of 150 antique waterfowl decoys from the Prince Edward County and Thousand Islands regions of Ontario. Dating from the mid-1800s to the mid-1900s, these articles display a remarkable craftsmanship.

## The Corporation and its Governance

The Canadian Museum of History is a federal Crown corporation that is responsible for two national museums: the Canadian Museum of History and the Canadian War Museum. Together, the Museums showcase Canada's national treasures and present exhibitions that preserve the memories and experiences of Canadians by exploring the events, people, themes and special objects that have helped shape the country, from earliest times to the present day.

### The Canadian Museum of History

Located on the shores of the Ottawa River in Gatineau, Quebec, the Canadian Museum of History welcomes over 1 million visitors each year. The Museum's principal role is to enhance Canadians' knowledge, understanding and appreciation of the events, experiences, people and objects that have shaped Canada's history and identity, as well as to foster appreciation of world history and culture. The Museum safeguards a collection of close to 4 million artifacts and specimens, including some of Canada's most valued national treasures. It is also home to the Canadian Children's Museum and the new CINÉ+ movie theatre.

### The Canadian War Museum

The Canadian War Museum is Canada's national museum of military history. Its mission is to promote public understanding of Canada's military history in its personal, national and international dimensions. In particular, it is renowned for its exploration of the human dimension of war, and of the profound effect of armed conflict on combatants and civilians alike. Home to an outstanding collection of artifacts and attracting almost 500,000 visitors annually, the Museum occupies one of Canada's most striking and iconic buildings. In addition, it houses a world-class art collection, comprising over 13,000 works, including paintings by some of Canada's most celebrated artists. As a national centre for remembrance, education and historical research, the Museum is also a venue and facilitator for informed discussion of military affairs — past, present and future.

### The Virtual Museum of Canada

The Virtual Museum of Canada (VMC) is an investment program, managed by the Canadian Museum of History, that supports Canadian museums and heritage organizations in developing online projects around their collections. Presented on [virtualmuseum.ca](http://virtualmuseum.ca), these diverse stories and experiences combine trusted content with digital technologies to showcase the history, heritage and culture of Canada. The VMC's current mandate is to continue to invest annually in the museum sector, while endeavouring to be more responsive to the needs of its stakeholders. This involves a new vision and changes to the investment programs and website. The VMC is consulting museums and heritage organizations across the country as it proceeds with this work, and will build on existing partnerships and create new ones.

### The Virtual Museum of New France

The [Virtual Museum of New France](#) is an innovative online project that explores the history, culture and living legacy of early French settlements in North America, profiling an area stretching from Acadia through the Great Lakes and the Ohio Valley to Louisiana. Its examination of the history of New France focuses on themes that include economic activity, population and facets of daily life, such as food, entertainment, health and medicine.



## The Board of Trustees

The corporation is governed by a Board of Trustees, whose members are appointed by the Minister of Canadian Heritage with the approval of the Governor in Council. The Trustees are selected from across the country. The Board, accountable to Parliament through the Minister, provides broad strategic direction and oversight with the assistance of six Committees and one Working Group.

### Board of Trustees Committees

- The **Executive Committee** assists in making decisions between Board meetings, as necessary.
- The **Audit Committee** serves as the Board's advisor on audit-related matters; ensures the maintenance of sound internal controls; and reviews internal audit plans, financial statements, and observations made by the Auditor General of Canada and relating to the Museum.
- The **Development Committee** advises and supports the Board and management in achieving greater self-sufficiency through fundraising.
- The **Finance Committee** advises the Board on accountability and planning in relation to financial matters such as financial reporting, the corporation's investment policy and contracts, and other financial transactions over \$500,000.
- The **Governance Committee** advises the Board on matters related to corporate governance.
- The **Canadian War Museum Committee** provides advice on matters related to the Canadian War Museum, and includes members of the Board of Trustees and representatives from veterans' groups.
- The **Canadian History Hall Working Group** advises on matters related to the **Canadian History Hall**, which will open on July 1, 2017.

## Members of the Board

### **Dr. James (Jim) Fleck, C.C., Interim Chair**

*Toronto, Ontario*

Dr. Fleck is an entrepreneur, academic and leading cultural philanthropist. In business, he founded Fleck Manufacturing Inc. and was Chairman of ATI Technologies and Alias Research. He is Professor Emeritus at The Rotman School of the University of Toronto and taught at both Harvard and York Universities. In the non-profit sector, Dr. Fleck was President of the Art Gallery of Ontario and is Chairman of Business for the Arts, a national association of business leaders supporting the arts. He chairs the Board of Directors of the University of Toronto Schools, the only high school affiliated with a university and located on campus. In government, he served as Deputy Minister of Industry and Secretary of Cabinet for former Ontario Premier Bill Davis. Dr. Fleck's many honours include Companion of the Order of Canada, the Queen Elizabeth II Diamond Jubilee Medal, the Edmund C. Bovey Award for Leadership Support of the Arts, the Ramon John Hnatyshyn Award for Voluntarism in the Performing Arts and the International Society for the Performing Arts' Angel Award.

*Governance Committee Chair*

*Executive Committee Vice-Chair*

*Audit Committee Ex Officio*  
*Finance Committee Ex Officio*  
*Development Committee Ex Officio*  
*Canadian War Museum Committee Ex Officio*

**Ms. Judith Baxter, Trustee**

*Clifton Royal, New Brunswick*

Ms. Baxter is a recipient of the Queen Elizabeth II Diamond Jubilee Medal, the 125th Anniversary of Confederation Medal and the Queen Elizabeth II Golden Jubilee Medal. She has worked as an artist, writer and commercial illustrator, and is a tireless volunteer activist and community organizer.

Ms. Baxter was founding director of the Kingston Farmers Market, the Clifton Royal Recreation Council and the John Fisher Memorial Museum. She has served as Director of the John Fisher Memorial Museum as well as on the Executive Board of Kingston Peninsula Heritage Inc. She currently holds a seat on the Board of the New Brunswick Museum.

*Executive Committee member*  
*Development Committee member*  
*Canadian War Museum Committee member*  
*Audit Committee member*  
*Canadian History Hall Working Group member*

**Prof. Michael Bliss, O.C., Trustee**

*Toronto, Ontario*

*Note: Professor Bliss passed away on May 18, 2017.*

Professor Bliss, one of Canada's foremost historians and an award-winning author, taught at the University of Toronto for 38 years. While most of his 14 books, including *The Discovery of Insulin* and *William Osler: A Life in Medicine*, reflected his specialization in medical and Canadian history, he also earned two National Magazine Awards for business and political writing. In 1988, he won the Royal Society of Canada's Tyrrell Medal for outstanding work on the history of Canada. Professor Bliss was an Officer of the Order of Canada and an Honorary Fellow of the Royal College of Physicians and Surgeons of Canada. He was recognized with honorary degrees from McGill University, McMaster University, the University of British Columbia, the University of Toronto, the University of Prince Edward Island and the Medical College of Wisconsin, and was inducted into the Canadian Medical Hall of Fame in 2016.

*Executive Committee member*  
*Canadian War Museum Committee member*  
*Audit Committee member*  
*Canadian History Hall Working Group member*

**Ms. Andrea T. Bobkowicz, Trustee**

*Westmount, Quebec*

Andrea Bobkowicz is an Investment Advisor with National Bank Financial, Private Wealth Management. Ms. Bobkowicz previously worked in Global Institutional Equity Sales at RBC Dominion Securities in New York and, as a result, has business experience in South Africa, Australia and Latin America. She is fluent in English, French and Spanish. Her volunteer work in the community includes leadership positions with the Foundation of Catholic Community Services and the St. Patrick's Society of Montréal. In addition, Ms. Bobkowicz has served as a member of several major professional and policy-shaping organizations, including the Canadian Council for the Americas, the Canadian Society of New York, the Couchiching Institute on Public Affairs, Women in Capital Markets and the Financial Women's Association of New York.

*Finance Committee Chair*

*Development Committee member*

**Ms. Jean Giguère, C.M., Trustee**

*Winnipeg, Manitoba*

Jean Giguère has a long and distinguished record of leadership and achievement within the Canadian cultural community. A founding member of Culture Days, a project committed to making culture a daily habit for Canadians, she is past Vice-Chair of the National Culture Days Board and currently chairs Culture Days Manitoba. She is also a member of the Advisory Board of the Royal Manitoba Theatre Centre. In 2009, Ms. Giguère was elected a Director of Business for the Arts, a national organization dedicated to building partnerships between the arts and the business community. She was first elected to the Board of the Royal Winnipeg Ballet in 1997, later serving as its Chair and, in 2011, was appointed Chair Emeritus. Ms. Giguère has extensive experience in board governance, fundraising and strategic planning in the cultural sector. After serving five years on the Canadian Arts Summit Steering Committee, she chaired the 2009 Summit in Montréal. At the Royal Manitoba Theatre Centre, she has served as Vice-President responsible for fundraising and Chair of Special Events. Ms. Giguère was the inaugural recipient of the Winnipeg Art Council's Making a Difference Award and received the Queen Elizabeth II Diamond Jubilee Medal for her "outstanding contribution to artistic life in Canada." In 2014, she was honoured with the Ramon Hnatyshyn Governor General Award for Voluntarism in Performing Arts.

*Governance Committee member*

*Development Committee member*

**Mr. Richard J. Gwyn, O.C., LL.D., Trustee**

*Toronto, Ontario*

Richard J. Gwyn is a renowned historian, author and political commentator. His career as a journalist includes 30 years with the *Toronto Star*, where he wrote and continues to write columns on national and international affairs and was a regular commentator on television and radio. The highly praised author of seven books, Mr. Gwyn has written biographies of Prime Ministers Sir John A. Macdonald (two

volumes) and Pierre Elliott Trudeau, and of Newfoundland Premier Joey Smallwood. His study *Nationalism Without Walls* has been ranked by the *Literary Review of Canada* as one of Canada's 100 most important books. Mr. Gwyn's honours include two National Newspaper Awards, a National Magazine Award, the Charles Taylor Prize for Literary Non-Fiction, the Shaughnessy Cohen Prize for Political Writing and the J. W. Dafoe Book Prize. From 2002 to 2007, he was Chancellor of St. Jerome's University at the University of Waterloo. The recipient of five honorary degrees, Mr. Gwyn was named an Officer of the Order of Canada in 2002.

*Governance Committee member*

*Canadian War Museum Committee member*

*Canadian History Hall Working Group member*

**Mr. Ken Langille, Trustee**

*New Glasgow, Nova Scotia*

Ken Langille has served the community of New Glasgow in a variety of capacities, including as Deputy Fire Chief, Deputy Mayor, Chair of the Police Commission and Fire Committee, and President of the Festival of the Tartans. He has also served on several boards and commissions at the county and provincial levels, including the Nova Scotia Police Review Board. Mr. Langille has been an active member of the Royal Canadian Legion and the Atlantic Branch of the Black Watch Association. He was also President of the Pictou County Shrine Club and the Pictou County Sports Heritage Hall of Fame, among other groups and associations.

*Canadian War Museum Committee Chair*

*Governance Committee member*

**Dr. Christopher McCreery, M.V.O., Trustee**

*Halifax, Nova Scotia*

Dr. McCreery is the Private Secretary to the Lieutenant Governor of Nova Scotia and Executive Director of Government House in Halifax. Author of more than a dozen books, he holds a doctorate in Canadian political history from Queen's University and is a recognized authority on Canadian honours, symbols and the role of the Crown in Canadian government. He has served on the Department of Canadian Heritage War of 1812 Advisory Committee, the Queen Elizabeth II Diamond Jubilee Committee and the Prime Minister's 2010 advisory committee on the appointment of the Governor General. Dr. McCreery is a Member of the Royal Victorian Order, a Fellow of the Royal Canadian Geographical Society and a Fellow of the Queen's University Centre for the Study of Democracy.

*Executive Committee member*

*Finance Committee member*

*Development Committee member*

*Governance Committee member*

*Canadian History Hall Working Group member*

**Mr. Claude Thibault, Trustee**

*Mont-Royal, Quebec*

Claude Thibault is Chief Financial Officer of DCM Group, an engineering and industrial construction company with activities across Canada. Mr. Thibault is a seasoned finance executive with close to 20 years' experience as Chief Financial Officer of publicly listed and private companies. He previously worked in investment banking and corporate finance as Vice-President at Midland Walwyn Capital and KPMG. Mr. Thibault has served on a number of boards of directors, including that of the Old Port of Montréal Corporation. He is a Chartered Professional Accountant and Chartered Business Valuator, and holds an MBA from McGill University. Mr. Thibault recently obtained a certification at the Institute for governance of private and public organizations.

*Audit Committee Chair*

*Finance Committee member*

**Mr. Robert C. Wilband, Trustee**

*Vancouver, British Columbia*

Robert Wilband has over 40 years of experience in Canada and internationally as a business leader and board director, primarily in the technology sector. Until his retirement in 1999, he was President and Chief Executive Officer of Prologic Corporation of Richmond, British Columbia, a global leader in providing banking software, with 350 corporate customers in 31 countries. Mr. Wilband, who has a master's degree in Business Administration, is also a Certified General Accountant. His honours include the Canada Export Award and the CIBC National Job Creation Award. He is a lifetime member of the President's Club at Simon Fraser University, where he served as an Executive in Residence and Adjunct Professor. Mr. Wilband continues to act as a mentor in the technology sector, drawing on his extensive expertise in corporate governance, finance, marketing and business strategy development.

*Development Committee Chair*

*Audit Committee member*

*Finance Committee member*

**Executive Management**

The President and Chief Executive Officer, supported by an Executive Management team, is accountable for the day-to-day administration of the corporation's performance, its long-term viability and the achievement of its objectives.

**Corporate Officers**

**Mark O'Neill**, President and Chief Executive Officer

**David Loye**, Chief Operating Officer and Senior Vice-President

**Chrissie Unterhoffer**, Corporate Secretary and Director of Strategic Planning

### Executive Management Team

In addition to the Corporate Officers, the Executive Management cadre also includes, as of March 31, 2017:

**Jean-Marc Blais**, Director General, Canadian Museum of History and Vice-President of the Corporation

**Claudette Lévesque**, Vice-President, Corporate Affairs and Development

**Stephen Quick**, Director General, Canadian War Museum and Vice-President of the Corporation

**Megan Richardson**, Director, Virtual Museum of Canada

**Manon Rochon**, Vice-President, Human Resources

### Governance Structure

**Corporate Planning Group:** Provides overall direction to the corporation's planning; ensures performance measurement and risk-management frameworks are effective and integrated into the planning processes; monitors performance and makes course corrections as required; ensures that the Museums have effective practices in place for sound governance and workplace values and ethics.

**Resource Planning Group:** Ensures resources are aligned with corporate priorities and that effective stewardship practices are in place.

**Human Resources Planning Group:** Provides advice and assists in the management of the Museums' human resources.

**Research and Collections Planning Group:** Provides advice and assists in the management of the Museums' research and collections activities.

**Exhibitions Planning Group:** Provides advice and assists in the management of the Museums' exhibitions, including special and travelling exhibitions.

**Canadian History Hall Project Team:** Provides overall coordination and direction to the development of the **Canadian History Hall**.

Together, these six groups — comprising a cross-selection of executives, directors and managers — provide a forum for strategic discussions of corporate planning and management, and for the alignment of resources with corporate priorities. These groups also provide a mechanism to further integrate risk management into all of the corporation's planning, monitoring and decision-making activities.

To ensure flow of communication throughout the Management cadre, the governance structure also includes a Managers' Forum. Including all executives, directors and managers in the corporation, the Managers' Forum meets throughout the year for information-sharing purposes.

### Human Resources Practices and Official Languages Policy

The corporation follows human resource management practices. It is committed to a learning culture that promotes continuous development and training, and provides the necessary tools for adaptation in an ever-changing environment. It works proactively with labour unions to address and resolve issues of concern, and to maintain a meaningful, professional and positive work environment.

In addition, the corporation actively promotes official languages through linguistic evaluation and appropriate second-language training, as well as ensuring high client-service standards to the general public in both official languages. The corporation continues to meet the high standards of client services to the general public in both official languages.

#### Employment Equity and Multiculturalism

The corporation is committed to a talent-management culture that recruits, engages and retains a talented workforce by promoting continuous development in an inclusive and engaging environment dedicated to museological excellence. The corporation provides a diverse and inclusive workplace committed to the principles of employment equity and multiculturalism that is complementary to our mandate of preserving, promoting and exploring Canada's rich history and cultural diversity.

There has been significant activity with respect to employment equity at the Museum. The Museum reports annually on its employment equity requirements to Employment and Social Development Canada. These requirements are defined by the *Employment Equity Act*, which requires employers under federal control to engage in proactive employment practices to increase workplace representation of women, people with disabilities, Aboriginal people and visible minorities. The Canadian Human Rights Commission is responsible for conducting equity-compliance audits, and has selected the Museum for audit. The Museum recently approved a three-year Employment Equity Action Plan. A Diversity and Inclusion Consultation Group has been formed, with representatives from management and the Museum's unions.

#### The Contribution of Volunteers

Volunteers make an important and valuable contribution, not only to the Museums but also to the hundreds of thousands of visitors each year that benefit directly from their knowledge, enthusiasm and commitment. In 2016–17, 360 volunteers worked on variety of projects in the areas of research, archives, library services, special events, programs, mailing and administration.

## Donors and Sponsors

### Thank you for your support

The corporation is extremely grateful for the generous contributions of our donors, and for the investments made by our corporate sponsors. Their support is instrumental in helping us achieve our goals for exhibitions, programming and collections development for both the Canadian Museum of History and the Canadian War Museum.

### Spotlight on the Canadian History Hall

Since the campaign was first launched, the Museum has received support from over 430 donors from across the country, consisting of individuals, foundations and corporations. The Museum has raised nearly \$9 million for the **Canadian History Hall**, a milestone amount, surpassing its original target of \$5 million.

The Museum of History was fortunate to receive several significant record-breaking donations from notable philanthropists. All three galleries of the **Canadian History Hall** have been named for distinguished Canadian families.

#### **Gallery 1: Rosy Family Gallery**

The Rosy Family Foundation is supporting the Hall with a generous gift of \$3 million. Of this sum, \$1 million is allocated to the Rosy Family Canadian History Hall Education Project Fund.

#### **Gallery 2: Fredrik Eaton Family Gallery**

The Catherine and Fredrik Eaton Family Charitable Foundation have generously donated \$2 million in support of the Hall.

#### **Gallery 3: The Honorable Hilary M. Weston and W. Galen Weston Gallery**

The W. Garfield Weston Foundation and the Weston Family are proud supporters of Gallery 3 of the Hall with a generous gift of \$2 million.

The Museum would also like to give special thanks to the other generous **Canadian History Hall** donors who have pledged \$100,000 or more in support of this legacy project since the campaign was first launched:

The Wilson Foundation, gift of \$600,000

Canadian Association of Petroleum Producers, gift of \$400,000

Windfields Farm Limited, gift of \$150,000

BCU Foundation, gift of \$100,000

Canadian First World War Internment Recognition Fund, gift of \$100,000

Pomerleau, gift of \$100,000

The Salamander Foundation, gift of \$100,000

### 2016–17 Donations and Pledges

This is a list of donors and sponsors who have made financial donations over \$150, or pledge installments for major gifts, during the fiscal year. The category in which each donor is listed reflects the



value of the gift or pledge installment received in the 2016–17 fiscal year, and does not represent the total gift generously offered to the Museum.

<b>\$1,000,000 +</b>	Eugene and Luba Zaraska Family	Col Kevin Pehr James Pitsula Mary and Guy Pratte Elinor Gill Ratcliffe, C.M., O.N.L., LL.D. H. Graham Rawlinson and Catherine E. Salo Donald Rutherford Chantal Schryer John and Donna Schwartzburg SLt Richard Iorweth Thorman, RCA Robert G. Tucker W. A. Waselovich Robert C. Wilband Donna Lee and J. W. Zaleski
The Rossy Family Foundation		
<b>\$500,000 to \$999,999</b>	<b>\$5,000 to \$9,999</b>	
The W. Garfield Weston Foundation	Andrea T. Bobkowicz Dr. Linda Grayson	
<b>\$100,000 to \$249,999</b>	<b>\$1,000 to \$4,999</b>	
Canadian Association of Petroleum Producers The Fredrik Eaton Family John and Elizabeth Irving The Wilson Foundation	Karen and Bill Barnett Raymond and Audrey Beaulieu Maurice Corbett Dawne Deeley Maurice Dupasquier Russell and Carol Finch The Fleck Family Foundation J. (Joe) Geurts Jean Giguère, C.M. and Dennis Giguère Michael and Anne Gough J. L. Granatstein Raymond Herrington Norman Hillmer and Susan Whitney Historica Canada IODE Walter Baker Chapter Jackman Foundation Paul Kavanagh Audrey Kenny Mr. Robert J. Killen Douglas M. Kilpatrick Lower Canada College Peter Neary and Hilary Bates Neary Dean F. Oliver Janice, Caroline, Patrick and Mark O'Neill Orillia Unit 400 ANAVETS in Canada	
<b>\$50,000 to \$99,999</b>		<b>\$500 to \$999</b>
Canadian First World War Internment Recognition Fund HCol (Ret'd) John C. Eaton, O.Ont., K.St.J., D.Com. and HCol (Ret'd) Sally Horsfall Eaton, S.S.St.J., C.D., R.N., LL.D. Friends of the Canadian War Museum Pomerleau		Athol Murray College of Notre Dame Judith Baxter Michael Bliss Maj J. Brodeur Brookfield High School Shirley Brosseau Michèle Canto John Catto Corporation du Fort St-Jean Nancy L. Court Frieda Dym John C. Franklin Eleanor Palmer Friesen R. Allan Gould Richard Gwyn Jason Halter Darren Hines Donald G. Hook Roy D. James
<b>\$25,000 to \$49,999</b>		
Dr. John Scott Cowan R. Howard Webster Foundation		
<b>\$10,000 to \$24,999</b>		
BCU Foundation Fleming Foundation Teknion Ltd.		

Maj (Ret'd) Frank and  
Anne Jefferies  
John McCrae Secondary School  
Geoffrey Joyner  
Linda Kincaid  
J. V. Th. Knoppers  
Robert George Lacey  
Norman Lyng  
Dr. James and Cynthia  
MacDonald  
John and Nancy Matthews  
Francis H. Milledge  
LCpl Donley Mogan  
Arley K. Molloy  
Howard H. Newman  
Charles B. Nixon  
David and Patricia Noakes  
John and Sylvie O'Driscoll  
Brian P. Petruic  
Melissa Phillips  
Joan Porter  
John Redmond  
Megan Richardson  
Richard W. Rinn  
Thomas A. Ripley  
Karen Rowbottom  
Don and Jean Rutherford  
Selwyn House School  
Augusta Vineberg Solomon  
Stanstead College  
Walter G. Sychylo  
Nancy and George Taylor  
Claude Thibault  
LGen Kenneth J. Thorneycroft  
Chrissie Unterhoffer  
Jack Whitmore  
William Young and  
Phillipe Bussy

**\$150 to \$499**

Douglas Acton  
Shirley Ahern  
Lois M. Akana

Tim Allan  
James Anderson  
Marion E. Anderson  
Frederick L. Arnold  
Cliff Arthur  
MWO (Ret'd) Carl J. and  
Dorothy E. Arthurs  
Ashbury College  
Roger Ashby  
Margaret Bachynski  
Ian K. Barker  
Sydney Barnett  
MWO (Ret'd) R. J. Bartlett  
LCol (Ret'd) B. Grahame  
Baskerville  
Douglas Bean  
Beryl and Omar Beckett  
David and Barrie Bercuson  
Vera Besso  
Donald B. Best  
Joost Blom  
Douglas Boxall  
Pauline Ewanyshyn-Braaksma  
George A. Bradshaw  
Domenic Bravi  
Donald E. Bremner  
Nancy Brickwood  
Victoria Brookes  
Dr. Frederick J. Brooks-Hill  
Iris Brown  
John Bufton  
Arthur G. Buskas  
Gordon and Vera Cameron  
Betty and Aldo Campitelli  
Leah Carmichael  
Christian Carrier  
LCol Donald and  
Joyce Carrington  
John Carter  
Peter Catoen  
James W. Chipman  
Wing Y. Choy  
B. Caroline Clark  
Paul Clarry

John Clingen  
Collège Letendre  
Collège Saint-Sacrement  
Sterling Conrad  
K. G. Cox  
Brian and Lindsay Cuthbertson  
Mr. Barry H. Davidson  
De Grave, Jean  
Maj (Ret'd) Murray G. Decker  
Douglas Dennis  
Mary Frances DeRoche  
Raymond Deschamps  
Mrs. Philip Dexter  
MCpl Alden Dodge  
Donbar Medical Inc.  
Rod Donovan  
Lila Doughty  
Arthur B. C. Drache  
Marilynne Drummond  
Dr. Robert Drummond  
Leanne Duncan  
Valerie Dunlop  
Leslie Vincent Dunn  
Kenneth Durie  
Mark Dwor  
LCol Reverend Dennis Dwyer  
John L. Easson  
John P. Evans  
Patricia Evernden  
Bruce Farrand  
Frederick A. Fimio  
David Finley  
RAdm Patrick Finn  
Murray M. Fisher  
William Flahr  
Capt (Ret'd) Peter Forsberg  
Donald B. Foster  
MGen Norm S. Freeman  
Hugh W. A. Fuller  
Doreen Gabel  
Marielle S. Gagné  
Eileen Gascon  
Henri François Gautrin  
LCol (Ret'd) David V. Geary

William D. Gibb  
Lorna C. Gilbertson  
Anthony Glen  
Robert Glendinning  
Irwin H. Goertzen  
Nan Margaret Griffiths  
Wayne Guenther  
Carole and Tony Guzman  
Michael F. H. Halleran  
Brian Hansen  
BGen (Ret'd) James I. Hanson  
Cathy and David Harbinson  
Derek Harrison  
Mrs. Russell Harrison  
Ron Hartle  
BGen Sheila A. Hellstrom  
Lawrence and Beatrice  
Herman  
Peter A. Herrndorf  
Kevin B. Higgins  
Kenneth Higgs  
Ken and Lydia Hollas  
Margaret Holmes  
Marion V. Holmes  
Robert and Shirley Hopper  
Thomas P. Hribar  
Ray Huether  
R. Douglas and Colleen Hunter  
Anne Hurlbut  
Chris and Iola Ingersoll  
Percy Jackson  
Kenneth Jewett  
Richard Johnson  
Ernest Jubinville  
Jeanne Kavanagh  
Maj Terry B. Kelly  
Otto Kerr  
John G. Kersley  
Robert Kincaid  
Kiwanis Club of Ottawa  
LCol Gerhard A. W. Knopf  
Robin Labatt  
Ken and Gale Langille  
Ralph Langtry

Lyle Lawson  
Jack F. Layton  
Joseph H. Leach  
Douglas Leakey and Betty  
De Varennes  
Ms. Karen Clark LeBlanc  
G. L. (Lou) Lesperance  
John C. and D. Lorraine Little  
Donald B. Lloyd  
Dwight Logan  
Maj (Ret'd) J. A. David Lorente  
Douglas Louch  
Loyola High School  
Neil Lundy  
Willis Lynch  
Dr. Ian MacDonald  
Angela MacDonell  
Colin A. Mackay  
LGen Donald C. MacKenzie  
Ralph A. MacLean  
Wayne MacPherson  
Marion E. Magee  
Serge H. Malaison  
Gen Paul Manson  
Robert G. Marsden  
Judge Lauren Marshall  
Jamieson K. Martin  
David G. Mast  
Richard Maxfield  
Sheila McCormack  
Sheila McDermott  
Al McElveny  
Nancy McFadyen  
Col (Ret'd) D. B. McGibbon  
Virginia McLaughlin  
David McLeod  
Gordon McNulty  
Susan Merry  
Cpl William O. Minish  
Warren Mitchell  
Montship Inc.  
Jerry E. Moore  
David S. Morgan  
William Muir

Dr. Karen Mulhallen  
Rupert and Elaine Mullins  
Ken Nicholson  
J. Erik Norenus  
Constance O'Donnell  
Mabel Oram  
Osgoode Township High  
School  
Alexander and Heather Paine  
Harry Papushka  
Peter R. Paterson  
Eric N. Patterson  
James Patton  
Martin Peach  
Col (Ret'd) Alain Pellerin,  
O.M.M., C.D.  
William George Perry  
Dorothy Phillips  
MGen (Ret'd) Alan Pickering  
Joseph Pighin  
William Pope  
Jean-Luc Prefontaine  
John Douglas Price  
Irwin Rajesky  
Glenda J. Redden  
Hazel Redmond  
A. Kent Robinson  
Bruce W. Robinson  
David Robinson  
Muriel Rolfe  
Walter Romanow  
Richard Ryan  
Dr. Brian Sabiston  
The Sacred Heart School of  
Montreal  
Beverly Schaeffer  
Gene R. Scissons  
Keith Scott  
Carl Severin  
Hannah Shannon  
Debra Shepherd  
Betty Sherwood  
Mark and Pat Shields  
James Sills

Marvin G. Sinclair  
James M. Slavens  
Ben Smith  
Donald Francis Smith  
Michael D. Smith  
Robert W. Smith  
Shiela M. Smith  
Tom W. and Nell Smith  
Wendy and Walter Somerville  
J. Wallace and Dawn Sparling  
St. George's School of  
Montreal  
William E. Stavert  
Tom Stevens  
F. John Stewart  
John D. Stewart  
Merlyn and Tom Stoate  
Richard D. Storey  
Judy Street  
George Strmotich  
LCol (Ret'd) Ian Sutherland  
Scott Sutherland and  
Lindsay DuVal  
Edward Swinton and  
Eldred Cook  
Al Tanenbaum  
Lee Taylor  
James G. Thompson  
Rowland and Linda Tipper

Trafalgar School for Girls  
Francis E. Traynor  
Yves Tremblay  
Vernon G. and Beryl A. O.  
Turner  
Louise Vanasse  
Dr. Jonathan F. Vance  
Jeannine Vezina  
Kenneth N. Walker  
Peter Ward  
Gordon and Joanne Watt  
Ronald K. Watts  
R. A. White  
LCol Peter J. Williams  
Thomas Wilson  
June and John (Jack) Winik  
Michael and Amy Wolfe  
E. Ferne Wolstenholme  
Woodroffe High School  
Violet L. Wooff  
David Wysynski  
Henry B. Yates

#### *Legacy Circle*

*We are proud to acknowledge  
and thank the following  
individuals for providing a  
future gift to the Museums*

*through a bequest, gift of life  
insurance or other planned  
giving arrangement.*

J. L. Granatstein  
Col (Ret'd) Jarrott W.  
Holtzhauer  
Ernest Howard  
Paul Kavanagh  
Gen (Ret'd) Paul D. Manson  
Ann R. Mooney  
John and Donna Schwartzburg  
SLt Richard Iorweth Thorman,  
RCA

#### *Benefactor PLUS Members*

Jill Carleton  
Judy Young Drache and Arthur  
B. C. Drache, C.M., Q.C.  
Bernard A. Gingras  
Sylvie Morel  
Nicole Myrand  
Sunny and Nini Pal  
The Ven. David Selzer and  
Ms. Ann E. Miller

#### *2016–17 Artifact Donors*

This is a list of individuals and organizations that have chosen to be recognized for their artifact donation this year. Their generous donations represent a remarkable acknowledgement of the value of our shared history, culture and identity.

Douglas Barrett  
Elizabeth Bollmann  
Dr. Peter E. Campos  
Manon Chapleau  
Robert Côté, O.C.  
The R. H. Davies Family  
Steven Fletcher  
The Bob Gehrke Family  
*The Globe and Mail*

J. L. Granatstein  
Reesa Greenberg  
Anne Stanfield,  
Donald Henderson and  
Betsey Gudz  
Les Harris  
Hon. Dr. Lynda Haverstock  
and Mr. Harley Olsen  
Hon. Serge Joyal

Karen Luczak  
Ken Lyons  
Lorenzo Mancini  
René J. and Thérèse Marin  
Bruce McCaughey  
Margaret Bruun-Meyer  
Senator Wilfred P. Moore,  
Q.C.  
Ann Morton

Mark O'Neill  
Wade Pitman  
Dr. Victor Rabinovitch  
The Rachlis Family  
The Reitberger Family  
Margaret Robertson  
Guy Rowe-Sleeman  
Royal Canadian Legion, Kings  
Branch #006, Kentville, NS

Marjorie Sandilands  
The Sarsfield Family  
Susan Evans Shaw  
Nicla Sivilotti for the  
"Mani d'Oro" Kingston  
William S. T. Sloan  
Smythe Family  
Daryl and Barton Stone  
Olivia Thornburn

Lorraine Tomkewich  
(née Klassen)  
Arleigh Trail  
J. Glenn Vickers  
Jean-Luc Vincent  
Michael C. F. Webb  
Sharon Stevenson Williams

# Financial Statements

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Corporation is committed to sustaining a strong financial and operational foundation for the delivery of quality museum programs and services. Responding to the strategic direction of its Board of Trustees, the Corporation has, at its core, a management culture that fosters excellence and adaptation of best practices for continued improvement. It is accountable to Parliament and Canadians in implementing its mandate.

### **EXTERNAL ENVIRONMENT**

The Corporation is highly dependent upon revenues from attendance at its two Museums, which are directly influenced by the Canadian and Global economies and the travel and tourist market.

In its Budget 2016, the department of Finance noted that the global economic situation remains challenging. Global growth continues to slow, financial market volatility has risen, equity values have declined and commodity prices have fallen significantly.

### **FINANCIAL OVERVIEW**

The Corporation was pleased by the decision of the Government of Canada to identify new funding for the Corporation to address immediate operational and capital pressures. The Corporation applauds this decision as growing fixed costs and capital pressures due to aging facilities were impacting the Corporation's ability to effectively deliver on its mandate. The increasing non-discretionary costs to operate the Corporation's buildings have resulted, however, in a fiscal environment that remains challenging.

As part of the transformation from the Canadian Museum of Civilization to the Canadian Museum of History, the Corporation received \$25 million over four years to help transform two of its galleries (the Canada Hall and Face to Face) into one major exhibition focusing on Canadian History, the Canadian History Hall.

### **STATEMENT OF OPERATIONS**

The Corporation's net results of operations for fiscal year 2016-17 reflects a surplus of \$1.1 million, compared to a surplus of \$2.8 million in fiscal year 2015-16.

#### **Parliamentary Appropriations**

The Corporation's parliamentary appropriations increased by \$1.6 million in 2016-17, from \$76.3 million to \$77.9 million. The increase is explained by:

- Additional funding received through Budget 2016 to address the accumulated Payment in Lieu of Taxes (PILT) payable and urgent health and safety related capital projects.

This increase is partially offset by:

Funding for operating and capital decreased by \$17 million, when compared to the previous fiscal year, as the 2015-16 results included the last portion of funding for the transformation of the Canadian History Hall.

### **Donations and Sponsorships**

Donations and sponsorships decreased by \$1.0 million in 2016-17, from \$3.0 million to \$2.0 million. The decrease is primarily due to a decrease in in-kind sponsorships and artifact donations. While not reflective in this year's financial results, the implementation of fundraising and stewardship strategies in fiscal year 2016-17 has resulted in record-high donations to the Museum and enabled the Museum to exceed its fundraising goal for the Canadian History Hall. The donations received towards the Canadian History Hall are presented as deferred contributions in the Statement of Financial Position and will be recognized as revenues in fiscal year 2017-18, upon opening of the Canadian History Hall.

### **Net investment income**

Net investment income totalled \$4.2 million in 2016-17, \$1.4 million for the comparative year. The increase is mainly attributable to a gain on investments resulting from the principal repayments of Master Asset Vehicle Notes in 2016-17.

### **Operating Revenues**

Operating revenues for the current fiscal year were \$14.9 million compared to \$14.6 million for the previous fiscal year, an increase of \$0.3 million. The increase is mainly the result of increased facility rental, events and concessions in 2016-17.

### **Expenses**

The Corporation's operating expenses increased by \$5.3 million from \$92.6 million in 2015-16 to \$97.9 million in 2016-17. The increase is mainly attributable to an increase of \$4.5 million in personnel costs as a result of an amendment to the benefit plan for retirees and salary increases resulting from new collective agreements signed in 2016-17.



## **STATEMENT OF FINANCIAL POSITION**

Cash decreased by \$16.0 million mainly due to the use of funding received in past fiscal years for the transformation of the Canada Hall and Face to Face galleries.

The Corporation holds Master Asset Vehicle notes (MAV) that are tied to an original investment, made in 2007, in non-bank-sponsored asset-backed commercial paper (ABCP). During 2016-17, the Corporation received principal repayments of \$10.0 million. As of March 31, 2017, the Master Asset Vehicle notes were recorded at their estimated fair value of \$0.2 million.

### **Accounts payable and accrued liabilities**

Accounts payable and accrued liabilities decreased from \$21.1 million as of March 31, 2016 to \$15.3 million as of March 31, 2017 mainly due to the payment of accumulated Payment in Lieu of Taxes (PILT) of \$7.2 million.

### **Net Assets**

The Museum's unrestricted net assets as of March 31, 2017 decreased from \$23.8 million to \$9.9 million in 2016-17. The decrease is explained by the restriction of \$15.0 million of unrestricted net assets for the refurbishment of permanent exhibition galleries. This will include the transformation of the Canadian Children's Museum.

## **OUTLOOK**

The Museum will mark the 2017-18 fiscal year with the opening of the Canadian History Hall, the largest and most ambitious exhibition on Canadian history ever created. Canada's 150<sup>th</sup> anniversary of Confederation in 2017 will also be a key opportunity for the Museum to increase the number of visitors and develop partnership and outreach opportunities.

The Museum continues to face financial pressures relating to inflationary increases for salaries, utilities, building maintenance, and security costs. Given that government funding for operating expenditures remains stable, the Museum will need to find solutions with Canadian Heritage to avoid longer term financial challenges.

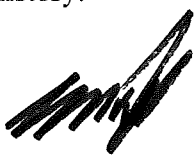
## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements contained in this Annual Report have been prepared by Management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, and the integrity and objectivity of the data in these financial statements is Management's responsibility. Financial information presented throughout the Annual Report is consistent with the financial statements.

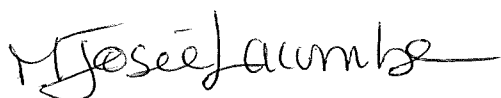
In support of its responsibility, Management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of financial information, that assets are safeguarded 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 fulfills 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, examines the financial statements and reports to the Minister of Canadian Heritage, who is responsible for the Canadian Museum of History.



Mark O'Neill  
President and Chief Executive Officer



Marie-Josée Lacombe, CPA, CGA  
Chief Financial Officer

June 29, 2017

## **INDEPENDENT AUDITOR'S REPORT**

To the Minister of Canadian Heritage

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Canadian Museum of History, which comprise the statement of financial position as at 31 March 2017, and the statement of operations, statement of remeasurement gains and losses, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Museum of History as at 31 March 2017, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## **Report on Other Legal and Regulatory Requirements**

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Canadian Museum of History 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 regulations, the by-laws of the Canadian Museum of History, and the directive issued pursuant to section 89 of the *Financial Administration Act*.



Riowen Yves Abgrall, CPA, CA  
Principal  
for the Auditor General of Canada

29 June 2017  
Ottawa, Canada

# **CANADIAN MUSEUM OF HISTORY**

Year ended March 31, 2017

# CANADIAN MUSEUM OF HISTORY

## Statement of Financial Position

As at March 31

(In thousands of dollars)


	2017	2016
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 4,449	\$ 20,481
Restricted cash and investments (note 3)	5,078	1,842
Investments (note 4)	3,770	2,732
Accounts receivable	2,847	2,070
Inventories	843	885
Prepaid expenses	720	813
	17,707	28,823
Restricted cash and investments (note 3)	12,683	12,162
Investments (note 4)	54,853	49,629
Collections (note 5)	1	1
Capital assets (note 6)	247,181	242,396
	\$ 332,425	\$ 333,011
<b>Liabilities and net assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 7)	\$ 15,252	\$ 21,070
Deferred contributions (note 8)	12,402	7,770
Deferred revenues	1,557	1,828
	29,211	30,668
Deferred contributions – National Collection Fund (note 9)	10,651	10,670
Deferred contributions related to capital assets (note 10)	216,107	217,171
Employee future benefits (note 11)	8,976	5,842
	264,945	264,351
<b>Net assets</b>		
Unrestricted	9,918	23,803
Restricted for permanent exhibit renewal (note 12)	15,000	-
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	1,694	3,989
	67,480	68,660
	\$ 332,425	\$ 333,011

*Contingencies and contractual obligations (notes 17 and 18)*

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

Approved by the Board of Trustees

  
Interim Chairperson

  
Trustee

# CANADIAN MUSEUM OF HISTORY

## Statement of Operations

For the year ended March 31

(In thousands of dollars)

	2017	2016
Revenues		
Donations and sponsorships (note 13)	\$ 2,048	\$ 3,023
Net investment income (note 14)	4,155	1,395
Operating (schedule 1)	14,933	14,571
	<u>21,136</u>	<u>18,989</u>
Expenses (schedule 2)		
Collect and research	13,435	13,781
Exhibit, educate and communicate	27,359	23,324
Accommodation	38,894	38,059
Corporate management	18,221	17,388
	<u>97,909</u>	<u>92,552</u>
Net result of operations before parliamentary appropriations	(76,773)	(73,563)
Parliamentary appropriations (note 15)	77,888	76,313
Net result of operations	<u>\$ 1,115</u>	<u>\$ 2,750</u>

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

## Statement of Remeasurement Gains and Losses

For the year ended March 31

(In thousands of dollars)

	2017	2016
Accumulated remeasurement gains, beginning of year	\$ 3,989	\$ 4,565
Unrealized losses attributed to investments	(538)	(778)
Amounts reclassified to the Statement of Operations – investments	(1,757)	202
Net change in accumulated remeasurement gains (losses) for the year	<u>(2,295)</u>	<u>(576)</u>
Accumulated remeasurement gains, end of year	<u>\$ 1,694</u>	<u>\$ 3,989</u>

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

# CANADIAN MUSEUM OF HISTORY

## Statement of Changes in Net Assets

For the year ended March 31

(In thousands of dollars)

	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasurement gains	2017	2016
Net assets, beginning of year	\$ 23,803	\$ -	\$ 40,868	\$ 3,989	\$ 68,660	\$ 66,486
Net result of operations	1,115	-	-	-	1,115	2,750
Restricted for permanent exhibit renewal	(15,000)	15,000	-	-	-	-
Net change in accumulated remeasurement gains (losses)	-	-	-	(2,295)	(2,295)	(576)
Net assets, end of year	\$ 9,918	\$ 15,000	\$ 40,868	\$ 1,694	\$ 67,480	\$ 68,660

*The accompanying notes and schedules form an integral part of the financial statements*



# CANADIAN MUSEUM OF HISTORY

## Statement of Cash Flows

For the year ended March 31

(In thousands of dollars)

	2017	2016
Operating activities		
Cash receipts from clients and other receivables	\$ 20,387	\$ 20,102
Cash receipts from parliamentary appropriations	62,534	62,632
Cash paid to and on behalf of employees	(34,905)	(32,937)
Cash paid to suppliers	(54,630)	(41,662)
Restricted contributions and related investment income	4,968	1,045
Interest received	1,557	1,399
Net cash through operating activities	(89)	10,579
Investing activities		
Principal repayments of investments	9,964	167
Increase in investments and restricted investments	(21,522)	(11,287)
Decrease in investments and restricted investments	4,718	10,357
Net cash through investing activities	(6,840)	(763)
Capital activities		
Acquisition of capital assets	(21,298)	(13,524)
Financing activities		
Parliamentary appropriations for the acquisition of capital assets	15,431	20,832
Increase (decrease) in cash and restricted cash	(12,796)	17,124
Cash and restricted cash, beginning of year		
Cash	20,481	4,070
Restricted cash	1,842	1,129
	22,323	5,199
Cash and restricted cash, end of year		
Cash	4,449	20,481
Restricted cash	5,078	1,842
	\$ 9,527	\$ 22,323

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

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 1. Mission and mandate

The Canadian Museum of History (the “Corporation”), formerly named the Canadian Museum of Civilization, was established on December 12, 2013 through an amendment to the *Museums Act*. The Canadian Museum of History is an agent Crown corporation named in *Part I of Schedule III to the Financial Administration Act* and is not subject to income tax under the provisions of the *Income Tax Act*. The Canadian Museum of History includes the Canadian War Museum.

The mission, as stated in the *Museums Act*, is as follows:

*“to enhance Canadians’ knowledge, understanding and appreciation of events, experiences, people and objects that reflect and have shaped Canada’s history and identity, and also to enhance their awareness of world history and cultures.”*

The Canadian Museum of History’s operations are divided into four mutually supportive activities which work together to meet all aspects of its mandate. These activities are:

#### **Collect and research**

Manages, develops, conserves, and undertakes research on the collections to enhance program delivery and augment the scientific knowledge base.

#### **Exhibit, educate and communicate**

Develops, maintains, and communicates exhibits, programs and activities to further knowledge, critical understanding, appreciation and respect for human cultural achievements and human behaviour.

#### **Accommodation**

Managing and maintaining all facilities and related security and hosting services.

#### **Corporate management**

Governance, corporate management, audit and evaluation, fund raising, commercial activities, finance and administration, human resources and information systems.

### **Travel, hospitality, conference and event expenditures**

In July 2015, the Corporation, along with other federal Crown corporations, was issued a directive (P.C. 2015-1105) pursuant to section 89 of the *Financial Administration Act* to a) align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and b) to report on the implementation of this directive in the Corporation’s corporate plan.

Effective March 31, 2016, the Corporation has aligned its policies and practices to the Treasury Board instruments and reported on its compliance with this directive in the 2016-17 corporate plan.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian public sector accounting standards. The Corporation has elected to apply the Section 4200 series for government-not-for-profit organizations, and the deferral method of accounting for contributions.

Significant accounting policies are as follows.

#### (a) Financial assets and financial liabilities

Cash, restricted cash and investments in bonds and guaranteed investment certificates are classified in the fair value category and investments in Master Asset Vehicle notes are designated in the fair value category. The unrealized gains or losses arising from changes in the fair value of investments in bonds, guaranteed investment certificates and in Master Asset Vehicle notes are recognized through the Statement of Remeasurement Gains and Losses at each period end. Unrealized gains or losses arising from changes in the fair value of investments with restricted cash are reflected in the value of restricted cash.

Fair value is determined for Master Asset Vehicles (MAV) using a discounted cash flow, using market assumptions. All other financial assets in the fair value category are valued using quoted prices for similar assets or valued using observable market data. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are expensed.

Cash is composed of deposits with financial institutions that can be withdrawn without prior notice or penalty.

Accounts receivable, accounts payable and accrued liabilities: After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method through the Statement of Operations.

#### (b) Inventories

Inventories, which consist of materials for the boutiques and publications, are valued at the lower of cost and net realizable value.

#### (c) Collections

The artifact collections form the largest part of the assets of the Corporation and are presented in the Statement of Financial Position at a nominal value of \$1, due to the practical difficulties of determining a meaningful value for these assets.

Objects purchased for the collections of the Corporation are recorded as an expense in the year of acquisition.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 2. Significant accounting policies (continued)

#### (d) Capital assets

Capital assets owned by the Corporation are recorded at cost, net of accumulated amortization. Buildings owned by the Government of Canada, which are under the administrative control of the Corporation, are recorded at their estimated historical cost, less accumulated amortization. Lands owned by the Government of Canada, which are under the administrative control of the Corporation, are recorded at their estimated historical cost with a corresponding amount credited directly to the net assets of the Corporation.

Permanent exhibits represent costs that are directly attributable to the exhibit and meet the definition of a capital asset. They may include employee salaries and benefits, professional service fees, permanent exhibit and building structures as well as images and copyright.

Work in progress represents the costs incurred to date on a capital project that is incomplete and not in use, or for system implementations, when the system is not in production at the end of an accounting period. Incomplete capital projects are not amortized.

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

Asset	Useful life
Buildings	40 years
Building improvements	10 years
Technical and informatics equipment	5 and 8 years
Office furniture and equipment	8 years
Motor vehicles	5 years
Permanent exhibits	10 years

#### (e) Foreign currency translation

Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates in effect at the time of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated using rates at March 31. Realized gains and losses resulting from foreign currency translation are reported on the Statement of Operations.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 2. Significant accounting policies (continued)

(f) Employee future benefits

(i) Pension benefits

Eligible employees of the Corporation are covered by the public service pension plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation to cover current service cost. Pursuant to legislation currently in place, the Corporation has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Corporation.

(ii) Sick leave, severance and post-retirement benefits

The Corporation provides sick leave benefits for employees that accumulate but do not vest. The Corporation recognizes a liability and an expense for sick leave in the period in which employees render services in return for the benefits.

Eligible employees were entitled to severance benefits, as provided for under labour contracts and conditions of employment. The cost of these benefits was accrued as the employees rendered the services necessary to earn them. Since April 1, 2013 employees no longer accumulate severance benefits upon resignation or retirement. Consequently, eligible employees were given the choice to receive their severance benefit payment immediately, defer the payment until retirement or a combination of the two options, based on their continuous years of service with the Corporation as of March 31, 2013. The severance benefit liability represents the portion that employees chose to defer.

The Corporation provides unfunded defined benefit health and dental care plans for eligible retirees and employees.

The cost of the accrued benefit obligations earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimates of future costs and events. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these benefits.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 2. Significant accounting policies (continued)

#### (g) Revenue recognition

##### (i) Museum operations

Revenues from Museum operations include the sale of general admissions and programmes, facility rentals, events and concessions, boutique sales, parking, giant screen theatre, travelling exhibits, memberships and other revenues. They are recognized in the year in which the sale of goods is completed or the services are provided.

##### (ii) Interest on cash and investments

Interest on cash and investments is recognized in the year it is earned.

##### (iii) Cash donations, sponsorships and contributions

Unrestricted donations, sponsorships and contributions are recognized as revenue on the Statement of Operations when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, sponsorships and contributions are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the year in which the related obligations are fulfilled and the related expenses are recognized. Restricted investment income is recognized as revenue in the year that the related expenses are recognized.

Contributions which are externally restricted for the purchase of depreciable capital assets are deferred and recognized as revenue on the same basis and over the same periods as the related capital assets acquired.

##### (iv) In-kind sponsorships and artifact donations

Revenues and offsetting expenses from goods and services received in-kind are recorded at fair value upon receipt. Artifact donations are recorded as revenue at fair value in the period when the last of three specific criteria are met i) the artifact donation has been approved by the Corporation's Collections Acquisition Committee ii) legal transfer has taken place between the donor and the Corporation and iii) a fair value has been assigned to the artifact donation. The recording of artifact donations results in an offsetting expense to collection acquisitions.

##### (v) Volunteer services

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

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 2. Significant accounting policies (continued)

#### (g) Revenue recognition (continued)

##### (vi) Parliamentary appropriations

The Government of Canada provides contribution funding to the Corporation through Parliamentary appropriations.

Parliamentary appropriations which are externally restricted for the purchase of capital assets subject to amortization are deferred and recognized as revenue on the same basis and over the same periods as the related capital assets acquired.

Parliamentary appropriations restricted for specific projects are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period that those expenses are incurred. Parliamentary appropriations that are not restricted to a specific purpose are recognized as revenue in the Statement of Operations in the period for which the appropriation is authorized.

#### (h) 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.

#### (i) Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations 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. Employee future benefits, contingent liabilities, valuation of Master Asset Vehicle notes, artifact donations and the estimated useful lives of capital assets are the most significant items where estimates are used. Actual results could differ significantly from those estimated.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 3. Restricted cash and investments

Restricted assets reflect the Corporation's practice to designate assets required for future obligations, as follows:

	2017	2016
Deferred contributions from non-government sources (note 8)	\$ 7,110	\$ 3,334
Deferred contributions - National Collection Fund (note 9)	10,651	10,670
	\$ 17,761	\$ 14,004

Restricted cash and investments consist of the following:

Fair value	2017	2016
Cash	\$ 5,078	\$ 1,842
Guaranteed investment certificates	3,173	2,400
Corporate and government bonds	9,510	9,762
	17,761	14,004
Portion maturing in the next fiscal year	(1,008)	(1,961)
Long-term portion	\$ 16,753	\$ 12,043

At March 31, 2017, the Corporation held guaranteed investment certificates and long-term bonds with a face value of \$12,249 (2016 - \$11,660), annual yield percentages ranging from 1.81% to 2.80% (2016 - 1.97% to 2.8%), and maturity dates ranging from September 8, 2017 to June 15, 2024 (2016 - November 8, 2016 to June 15, 2024).

Additional assets, included in cash and investments (note 4), totalling \$15,256 (2016 - \$20,267) are related to deferred parliamentary appropriations (notes 8 and 10).

### 4. Investments

Fair value	2017	2016
Corporate and government bonds	\$ 43,487	\$ 34,043
Guaranteed investment certificates	14,900	8,900
Master Asset Vehicle notes	236	9,418
	58,623	52,361
Portion maturing in the next fiscal year	(3,770)	(2,732)
Long-term portion	\$ 54,853	\$ 49,629



# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 4. Investments (continued)

#### (a) Bonds and guaranteed investment certificates

At March 31, 2017, the Corporation held corporate and government bonds and guaranteed investment certificates with a face value of \$56,111 (2016 - \$40,346), annual yield percentages ranging from 1.72% to 4.1% (2016 - 1.78% to 4.1%), and maturity dates ranging from June 1, 2017 to June 2, 2025 (2016 - June 1, 2016 to March 15, 2025).

An unrealized loss on investments of \$621 (2016 - \$657) was included in the Statement of Remeasurement Gains and Losses. A loss of \$83 (2016 - \$204) was reclassified to the Statement of Operations from the Statement of Remeasurement Gains and Losses.

#### (b) Master Asset Vehicle Notes

At March 31, 2017 the Corporation held the following Master Asset Vehicle (MAV II and MAV II IA) notes:

Face value	2017	2016
<u>MAV II Notes</u>		
Class A-1	\$ -	\$ 6,653
Class A-2	-	2,574
Class B	-	467
Class C	78	300
<u>MAV II IA Notes</u>		
Other Classes	393	751
	\$ 471	\$ 10,745

At March 31, 2017, the MAV II and MAV II IA notes were recorded at their estimated fair value of \$236 (2016 - \$9,418). The variance of \$9,182 (2016 - \$170) is comprised of principal repayments of \$9,964 (2016 - \$167), an unrealized gain on investments of \$83 (2016 - \$120 unrealized loss) included in the Statement of Remeasurement Gains and Losses and a realized gain on investments of \$699 (2016 - \$117) included in the Statement of Operations.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 4. Investments (continued)

#### (b) Master Asset Vehicle Notes (continued)

The assumptions used in the discounted cash flow valuation model include:

Criteria	2017	Assumptions	2016
<u>MAV II Notes</u>			
Expected term to maturity	0.50 years		0.78 years
Discount rates	92.7% for the C notes		7.85%, 10.87%, 16.55% and 68.31% for the A1, A2, B and C notes
Coupon rates	-		A1 and A2 notes: 3 month BA rate less 50 basis points
<u>MAV II IA Notes</u>			
Expected term to maturity	0.50 years		20.93 years
Discount rate	41.3%		9.58%
Coupon rate	3 month BA rate plus 50 basis points		3 month BA rate plus 50 basis points

Since the fair values of the MAV II and MAV II IA notes are determined using the foregoing assumptions and are based on the Corporation's assessment of market conditions as at March 31, 2017 the fair values reported may change materially in subsequent periods which would have a direct impact on the amounts recorded in the Statement of Remeasurement Gains and Losses. A 1.0% increase in the discount rate will decrease the fair value of the MAV II and MAV II IA notes by approximately \$5 (2016 - \$92).

Further information on the fair value measurement of the Corporation's investments can be found in note 19(d).

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 5. Collections

The Corporation maintains the material culture collections of artifacts, objects, specimens and their related information. These collections are developed by various research areas within the Corporation. The collections are divided into the following seven discipline-related groups:

**Ethnology** - ethnographic and fine art collections principally related to North American First Peoples in post-European contact

**Folk Culture** - folk culture and fine craft collections illustrating the diversity of cultural influences on Canadian culture

**History** - collections which illustrate the experience of the common person as well as famous Canadians

**Canadian Children's Museum** - collections which emphasize intercultural understanding and experience, as well as supporting a rich animation programme

**Living History** - collection of properties, costumes and didactic resources which are used by animators, educators and other staff to promote and enliven the Museum's programming

**Canadian War Museum** - collections of weapons and technological artifacts illustrating the development of military technologies, dress and insignia collections of uniforms, medals, accoutrements and regalia of the Canadian Armed Forces and its allies, and war art collections of paintings, drawings, prints and sculptures from the Canadian War Artist programmes and modern art works illustrating Canadian Peacekeeping efforts

**Archaeology** - archaeological collections of material culture, physical anthropology, flora and fauna recovered from dig sites and principally illustrating indigenous North American culture prior to European contact.

During the fiscal year ended March 31, 2017, the Corporation purchased \$466 (2016 - \$1,186), and acquired through donation \$811 (2016 - \$1,786), of items for this collection.

The Corporation did not record any revenues for the fiscal years ended March 31, 2017 or 2016 related to the sales of collection items.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 6. Capital assets

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Land	\$ 40,868	\$ -	\$ 40,868	\$ 40,868
Buildings	356,909	202,436	154,473	163,396
Building improvements	75,184	59,363	15,821	19,331
Technical and informatics equipment	7,056	3,992	3,064	2,134
Office furniture and equipment	703	488	215	126
Motor vehicles	373	153	220	191
Permanent exhibits	439	187	252	296
Work in progress	32,268	-	32,268	16,054
	\$ 513,800	\$ 266,619	\$ 247,181	\$ 242,396

The current year amortization expense is \$14,192 (2016 - \$14,362). Most of the expense \$13,809 (2016 - \$13,775) is allocated to accommodation expenses as it relates to the actual amortization of buildings and building improvements. Cost and accumulated amortization at March 31, 2016 amount to \$508,660 and \$266,264 respectively.

During the year, out-of-use assets with an original book value of \$13,794 were removed from this schedule.

### 7. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are as follows:

	2017	2016
Trade accounts payable	\$ 7,436	\$ 7,109
Government departments, agencies and crown corporations	2,906	10,776
Accrued salaries and benefits	4,720	2,995
Current portion of employee future benefits (note 11)	190	190
	\$ 15,252	\$ 21,070

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 8. Deferred contributions

Deferred contributions represent contributions from non-government sources and Parliamentary appropriations received by the Corporation that are restricted for specific purposes.

Changes in the deferred contributions balance during the fiscal year were as follows:

	Non- government sources	Parliamentary appropriations	2017	2016
Balance, beginning of year	\$ 3,334	\$ 4,436	\$ 7,770	\$ 6,717
Additions				
Amounts received during the year	4,624	2,765	7,389	2,984
Deferred investment income	96	-	96	62
	4,720	2,765	7,485	3,046
Deductions				
Amounts recognized as revenue	(944)	(1,909)	(2,853)	(1,993)
Balance, end of year	\$ 7,110	\$ 5,292	\$ 12,402	\$ 7,770

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 9. National Collection Fund:

The National Collection Fund represents funds for the acquisition of artifacts by the Canadian Museum of History and the Canadian War Museum. Funds are removed from the National Collection Fund upon acquisition of selected artifacts.

Changes in the National Collection Fund balance during the fiscal year were as follows:

	Parliamentary appropriations	Non- government entities	2017	2016
Balance, beginning of year	\$ 9,034	\$ 1,636	\$ 10,670	\$ 10,759
Additions				
Amounts received during the year	-	1	1	2
Deferred realized investment income	211	34	245	268
Unrealized loss on investments	(172)	-	(172)	(165)
Realized gain on investments	-	-	-	43
	39	35	74	148
Deductions				
Amounts recognized as revenue	-	(93)	(93)	(237)
Balance, end of year	\$ 9,073	\$ 1,578	\$ 10,651	\$ 10,670

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 10. Deferred contributions related to capital assets

Changes in the deferred contributions related to capital assets balance during the fiscal year were as follows:

	<u>Used for acquisitions</u>		<u>To be used</u>	2017	2016
	Non-government sources	Parliamentary appropriations	Deferred capital funding through Parliamentary appropriations		
Balance, beginning of year	\$ 1,906	\$ 199,434	\$ 15,831	\$ 217,171	\$ 210,947
<b>Additions</b>					
Capital asset acquisitions	-	18,995	-	18,995	13,278
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	6,832	6,832	10,698
	-	18,995	6,832	25,827	23,976
<b>Deductions</b>					
Amount used during the year	(66)	(14,126)	(12,699)	(26,891)	(17,752)
Balance, end of year	\$ 1,840	\$ 204,303	\$ 9,964	\$ 216,107	\$ 217,171

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 10. Deferred contributions related to capital assets (continued)

Deferred capital contributions from non-government sources represent the unamortized portion of donations from non-government sources restricted and used to acquire depreciable capital assets.

Deferred capital funding through Parliamentary appropriations represents the unamortized portion of Parliamentary appropriations restricted and used to acquire depreciable capital assets or restricted to be used for future acquisitions of depreciable capital assets.

### 11. Employee future benefits

Information, measured as at the Statement of Financial Position date, is as follows:

	Other post- retirement benefits	Accumulated sick leave benefit liability	Severance benefits	2017	2016
Balance, beginning of year	\$ 5,186	\$ 274	\$ 572	\$ 6,032	\$ 5,705
Expense for the year	3,208	334	57	3,599	813
Benefit usage and benefit payments	(159)	(253)	(53)	(465)	(486)
Balance, end of year	8,235	355	576	9,166	6,032
Less: current portion	-	-	(190)	(190)	(190)
Long-term portion	\$ 8,235	\$ 355	\$ 386	\$ 8,976	\$ 5,842

#### (a) Other post-retirement benefits

On July 1, 2006, the Corporation introduced defined benefit post-retirement health care and dental benefit plans for eligible employees. The cost of this plan is charged to income as benefits are earned by employees on the basis of service rendered. The plans are unfunded resulting in a plan deficit equal to the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these post-retirement benefits which is 12.6 years.

On January 1, 2017, the Corporation made an amendment to the post-retirement benefit plan. The cost of this amendment related to prior period employee service is recognised in the period of the plan amendment.



# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 11. Employee future benefits (continued)

(b) Accumulated sick leave benefit liability

The cost of the accrued benefit obligations related to sick leave entitlement earned by employees is actuarially determined using the projected benefit method. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these sick leave benefits which is 12.6 years.

(c) Severance benefits

This benefit is unfunded and thus has no assets, resulting in a deficit equal to the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these severance benefits which is 8.0 years.

(d) Accrued benefit obligation

The most recent actuarial valuation for other post-retirement benefits, sick leave and severance benefits was completed by an independent actuary as at March 31, 2017. The Corporation measures its accrued benefit obligation for accounting purposes as at March 31 of each year.

A reconciliation of the accrued benefit obligation and liability is as follows:

	2017	2016
Accrued benefit obligation, beginning of year	\$ 7,807	\$ 7,636
Current service cost	633	498
Prior period cost of plan amendment incurred during the year	2,646	-
Interest costs	163	142
Actuarial loss	891	18
Benefits paid	(465)	(487)
Accrued benefit obligation, end of year	11,675	7,807
Unamortized actuarial losses	(2,509)	(1,775)
Accrued benefit liability, end of year	9,166	6,032
Less: current portion of employee future benefits (note 7)	(190)	(190)
	\$ 8,976	\$ 5,842

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 11. Employee future benefits (continued)

#### (d) Accrued benefit obligation (continued)

The significant actuarial assumptions used are as follows:

	2017	2016
Discount rate used to determine accrued benefit obligation:		
Post-retirement benefits	2.33%	2.03%
Severance and sick leave benefits	1.60%	1.33%
Inflation	2.0%	2.0%
Rate of increase in dental benefit costs	8% every 4 years	8% every 4 years
Rate of increase in health care benefit costs	8% every 4 years	8% every 4 years
Real wage increase	1% for the first 10 years	1% for the first 10 years

#### (e) Pension benefits

All eligible employees of the Corporation are covered by the public service pension plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The Government of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The required employer contribution rate is dependent on the employee's employment start date. For employment start dates before January 1, 2013, the Corporation's contribution rate effective at year end was 1.01 times the employee's contribution (2016 – 1.15); and for employment start dates after December 31, 2012, the Corporation's contribution rate effective at year end was 1.00 times the employee's contribution (2016 – 1.11).

The Museum's and employees' contributions to the Plan for the year were as follows:

	2017	2016
Corporation's contributions	\$ 3,020	\$ 3,192
Employees' contributions	2,531	2,462

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 11. Employee future benefits (continued)

#### (e) Pension benefits (continued)

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada / Québec Pension Plan benefits and they are indexed to inflation.

### 12. Restricted for permanent exhibit renewal

During fiscal year 2016-17, the Corporation internally restricted \$15,000 (2016 - \$0) of net assets for the purpose of permanent exhibit renewal.

### 13. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	2017	2016
Cash donations and sponsorships	\$ 1,225	\$ 1,209
In-kind sponsorships and artifact donations	823	1,814
	\$ 2,048	\$ 3,023

### 14. Net investment income

Net investment income is composed of:

	2017	2016
Interest	\$ 1,709	\$ 1,503
Gain (loss) on investments	2,446	(108)
	\$ 4,155	\$ 1,395

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 15. Parliamentary appropriations

Parliamentary appropriations recognized as revenue:

	2017	2016
Main Estimates amount provided		
for operating and capital expenses	\$ 66,199	\$ 83,369
Supplementary estimates and transfers <sup>1</sup>	11,547	217
Total Parliamentary appropriations approved in year	77,746	83,586
Less current year Parliamentary appropriations not recognized as revenue:		
Used for capital asset acquisitions	(6,296)	(9,888)
Deferred for future capital asset acquisitions	(6,832)	(10,698)
Restricted for specific purposes	(2,765)	(2,281)
Add prior year Parliamentary appropriations recognized as revenue in current year:		
Amortization of deferred capital funding	14,126	14,296
Restricted amounts used in current year	1,909	1,298
Parliamentary appropriations recognized as revenue	\$ 77,888	\$ 76,313

<sup>1</sup> 2016-17 supplementary estimates and transfers include funding approved under Budget 2016. This included non-recurring funding of \$7.2 million to address the accumulated Payment in lieu of taxes (PILT) payable.

### 16. Related party transactions

The Corporation is related to all Government of Canada departments, agencies and Crown corporations. The Corporation enters into transactions with these entities in the normal course of business. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. During the year, the Corporation incurred expenses totalling \$14,032 (2016 - \$14,633) primarily related to payments in lieu of property taxes and employer contributions to employee benefits. The Museum recorded operations revenue of \$884 (2016 - \$473) with related parties.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 16. Related party transactions (continued)

As at March 31, the Corporation had the following balances on the statement of financial position related to transactions with this category of related party:

	2017	2016
Appropriations receivable	\$ -	\$ 218
Refundable taxes	962	552
Other receivables	229	96
Accounts payable and accrued liabilities	2,906	10,776
Deferred revenues	34	159

### 17. Contingencies

No amount has been included in the Statement of Financial Position for contingent liabilities.

### 18. Contractual obligations

As at March 31, 2017, the Corporation has entered into agreements which include informatics, building operations and maintenance, security and point-of-sale outsource services. The future minimum annual payments are as follows:

2017-18	\$ 16,087
2018-19	8,570
2019-20	6,743
2020-21	3,564
2021-22	2,261
2022 +	142
	<hr/>
	\$ 37,367

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 19. Financial risk management

The Corporation has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board of Trustees ensures that the Corporation has identified its major risks and developed responses to mitigate their impact. The Audit Committee oversees the Corporation's systems and practices of internal control, and ensures that these controls contribute to the assessment and mitigation of risk. The Audit Committee reports regularly to the Board of Trustees on its activities.

#### (a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Corporation consisting of accounts receivable, cash, restricted cash and investments, Master Asset Vehicle notes and long-term investments.

The maximum exposure to credit risk of the Corporation at March 31, 2017 is the carrying value of these assets.

#### (i) Accounts receivable

The Corporation's exposure to credit risk associated with accounts receivable is assessed as being low mainly due to the demographics of the Corporation's debtors, including the type of debtor and the country in which the debtor operates.

The maximum exposure to credit risk for accounts receivable by type of customer as at March 31 is as follows:

	2017	2016
Government of Canada	\$ 1,201	\$ 873
Other governments	1,023	738
Consumers	269	187
	2,493	1,798
Financial institutions	354	272
	\$ 2,847	\$ 2,070

The Corporation seeks to reduce its credit exposure by performing credit checks on customers in advance of providing credit and obtaining deposits or prepayments where deemed appropriate.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 19. Financial risk management (continued)

#### (a) Credit risk (continued)

##### (i) Accounts receivable (continued)

The Corporation establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable and is based on specific accounts considering the Corporation's knowledge of the financial condition of its customers, the aging of accounts receivable, and other applicable factors. Accounts receivable from governments comprise more than 89% (2016 - 90%) of the Corporation's accounts receivable, excluding interest, and no allowance has been provided for related to these amounts.

An aging of accounts receivable is as follows:

	2017	2016
Less than 30 days past billing date	\$ 1,867	\$ 1,258
30 to 60 days past billing date	378	291
61 to 90 days past billing date	208	241
Greater than 90 days past billing date	40	8
	2,493	1,798
Interest receivable	354	272
	\$ 2,847	\$ 2,070

##### (ii) Cash, investments and restricted cash and investments

The Corporation manages its credit risk surrounding cash, restricted cash and investments, Master Asset Vehicle notes and long-term investments by dealing solely with reputable banks and financial institutions, and utilizing an investment policy to guide their investment decisions. The Corporation invests surplus funds to earn investment income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements.

Credit risk is minimized substantially by ensuring that assets are invested in instruments that are securities of or guaranteed by the Canadian federal and provincial governments and Canadian Schedule 1 Banks.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is not subject to significant price risk.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

---

### 19. Financial risk management (continued)

#### (b) Market risk (continued)

##### (i) Currency risk

The Corporation operates primarily within Canada, but in the normal course of operations is party to exchange of exhibits and collections on an international basis, as well as holding cash and investments denominated in foreign currencies. Foreign exchange risk arises from exhibit and collection related transactions denominated in a currency other than the Canadian dollar, which is the functional currency of the Corporation. The currencies in which these transactions primarily are denominated are the Canadian dollar, the US dollar and the Euro.

The Corporation believes that it is not subject to significant foreign exchange risk from its financial instruments due to relatively low frequency and dollar value of foreign currency denominated transactions.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

Financial assets and financial liabilities with variable interest rates expose the Corporation to cash flow interest rate risk. The Corporation's investments include both fixed rate bonds and floating rate notes.

Although management monitors exposure to interest rate fluctuations, it does not employ any interest rate management policies to counteract interest rate fluctuations.

As at March 31, 2017 had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, the Corporation's financial instruments would have decreased or increased by a net amount of approximately \$2,476 (2016 - \$2,473), approximately 3.46% of the fair value of investments (2016 – 3.83%).

#### (c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due.

The Corporation manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing, capital and financing activities.

All of the Corporation's financial liabilities have contractual maturities of less than 365 days.



# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 19. Financial risk management (continued)

#### (d) Fair value of financial instruments

The following tables summarize information on the fair value hierarchy of the Corporation's assets as of March 31. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- Level 1 – Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets and liabilities.
- Level 2 – Financial instruments are considered Level 2 when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable.
- Level 3 – Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

Transfers are made between the various fair value hierarchy levels due to changes in the availability of quoted market prices or observable market inputs due to changing market conditions.

Investments and restricted investments	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	2017 Total
Bonds	\$ -	\$ 52,997	\$ -	\$ 52,997
Guaranteed investment certificates	18,073	-	-	18,073
MAV II and MAV II IA notes	-	-	236	236
Total	\$ 18,073	\$ 52,997	\$ 236	\$ 71,306

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2017

(In thousands of dollars)

### 19. Financial risk management (continued)

(d) Fair value of financial instruments (continued)

Investments and restricted investments	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	2016 Total
Bonds	\$ -	\$ 43,805	\$ -	\$ 43,805
Guaranteed investment certificates	11,300	-	-	11,300
MAV II and MAV II IA notes	-	9,218	200	9,418
<b>Total</b>	<b>\$ 11,300</b>	<b>\$ 53,023</b>	<b>\$ 200</b>	<b>\$ 64,523</b>

There is a significant amount of uncertainty in estimating the amount and timing of cash flows associated with MAV II and MAV II IA. The Corporation estimates the fair value of its MAV II using Level 2 and 3 hierarchy inputs by discounting expected future cash flows considering the best available data at March 31, 2017. In 2016 and 2017, MAV II notes under classes A1, A2, B and C were at Level 2 and the MAV II IA notes were at Level 3.

A reconciliation of all changes in Level 3 financial instruments is as follows:

MAV II IA notes	2017	2016
Balance, beginning of year	\$ 200	\$ 216
Principal repayments	(47)	(167)
Unrealized gain	83	34
Realized gain	-	117
<b>Balance, end of year</b>	<b>\$ 236</b>	<b>\$ 200</b>

### 20. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

# CANADIAN MUSEUM OF HISTORY

## Schedule 1 - Operating Revenues

Year ended March 31, 2017  
(In thousands of dollars)

	2017	2016
General admission and programmes	\$ 5,946	\$ 6,257
Facility rental, events and concessions	3,059	2,449
Boutique sales	2,089	2,086
Parking	1,979	1,982
Giant screen theatre	719	1,004
Memberships	389	307
Travelling exhibits	318	276
Other	434	210
	<b>\$ 14,933</b>	<b>\$ 14,571</b>

## Schedule 2 - Expenses

Year ended March 31, 2017  
(In thousands of dollars)

	2017	2016
Personnel costs	\$ 39,499	\$ 34,978
Amortization of capital assets	14,192	14,362
Payments in lieu of property taxes	9,261	9,987
Building operations	6,039	5,681
Exhibit fabrication and rental	4,302	3,666
Professional and special services	4,202	3,359
Online programs assistance	4,008	3,382
Utilities	3,029	2,910
Repairs and maintenance	2,912	2,799
IT infrastructure and systems	2,269	2,214
Materials and supplies	1,771	1,438
Marketing and advertising	1,736	1,584
Collection acquisitions (note 5)	1,277	2,972
Cost of goods sold	1,140	1,087
Travel and hospitality	1,111	881
Rentals and leases	310	348
Royalties	195	248
Other	656	656
	<b>\$ 97,909</b>	<b>\$ 92,552</b>