



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Government Operations and Estimates

OGGO • NUMBER 094 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Thursday, June 15, 2017

—
Chair

Mr. Tom Lukiwski

Standing Committee on Government Operations and Estimates

Thursday, June 15, 2017

• (0845)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Colleagues, I call this meeting to order. It's meeting number 94 of the Standing Committee on Government Operations and Estimates.

We have with us today a number of witnesses who will be talking about the government's communications policy pertaining to government advertising.

Before we begin, I'm just going to check with our technicians, as we do have video conference participants from Toronto. We were trying to get the video conference established before we commenced. I see we don't have it yet, although we should within a matter of minutes.

We wanted to have our witnesses from Toronto give their opening statements first, but I think we'll start with some of our other witnesses since we don't have the video conference link established.

Number two on my list is Madam Baird from the Treasury Board Secretariat.

Madam Baird, welcome to committee. Perhaps you wouldn't mind giving us your opening statement, please.

Ms. Louise Baird (Assistant Secretary, Strategic Communications and Ministerial Affairs, Treasury Board Secretariat): Certainly, Mr. Chair, and thank you for the invitation to appear before your committee.

My name is Louise Baird. I'm the assistant secretary of communications and ministerial affairs at the Treasury Board Secretariat.

Today I'd like to take you through the key elements of the Government of Canada's new policy on communications and federal identity that governs advertising. I'll highlight some of the significant changes from the former communications policy.

[Translation]

This new policy sets out rules for the government's communications activities and, first and foremost, how it communicates with the public on policies, program, and services.

[English]

Prior to May of last year, the policy, which first came into effect in 2002, had not been significantly updated since 2006. There were

some minor modifications introduced in 2012, but these were mostly administrative in nature.

As we all know, the communications environment has evolved dramatically in recent years. Canadians seek out their information through digital channels, and government now primarily interacts with the public through the web and social media.

[Translation]

The new combined policy is supported by the new directive on the management of communications.

Together they modernize the practice of Government of Canada communications to keep pace with how citizens communicate in what is largely a digital environment.

[English]

The policy has been streamlined by removing requirements that were duplicated in other Treasury Board policies and by focusing on what is most important. The result is that the number of policy requirements has been reduced from 330 down to 97.

Whereas the previous policy targeted the institution as a whole, the new policy provides more precision. It clarifies accountabilities for deputy heads and for heads of communications, and it provides greater flexibility for departments to determine roles and responsibilities based on their specific needs.

It also sets out the rules related to the Government of Canada's corporate identity. The consistent use of this identity helps brand initiatives, allowing Canadians to easily recognize government programs. It covers the Canada word mark, departmental signatures, and the arms of Canada. The Government of Canada's identity continues to have primacy over the identity of individual departments. It cannot be overshadowed by other logos.

[Translation]

Treasury Board approval is required for those who wish to replace official symbols or add an additional identifying symbol to a department's corporate identity. One new feature: departments must now use their applied title, which is the official departmental name, or the title "Government of Canada" in all of their communications products and activities.

[English]

Allow me to take you through four key elements of the new policy: non-partisan communications, spokespersons, digital communications, and public opinion research.

There's been a significant strengthening of the policy and directive with respect to non-partisan communications. While the previous policy required the public service to carry out communications activities in a non-partisan way, it did not include a definition of "non-partisan". There was really no specific guidance. The new policy explicitly defines, for the first time, the term "non-partisan communications". "Non-partisan communications" means:

Objective, factual and explanatory;

Free from political party slogans, images, identifiers; bias; designation; or affiliation;

The primary colour associated with the governing party [cannot be] used in a dominant way, unless an item is commonly depicted in that colour; and

Advertising [must not include the] name, voice or image of a minister, member of Parliament or senator.

Let me emphasize that all Government of Canada communications activities must be non-partisan.

With regard to advertising, we put in place an independent third party oversight mechanism to ensure non-partisanship. It's mandatory that campaigns with budgets over \$500,000 must be reviewed. Departments may voluntarily submit smaller budget campaigns for review.

During the review process, should there be a disagreement, the matter will be referred to the secretary of the Treasury Board for resolution. To date, there have been no disagreements with the reviews.

● (0850)

[*Translation*]

These reviews are conducted at two stages; an initial one, done in the planning stages with concepts and story boards; and a final review, done prior to the advertising going to market.

[*English*]

These reviews are currently carried out by Advertising Standards Canada, who we'll hear from, through a contract with the Government of Canada. The Treasury Board Secretariat meets regularly with the ASC and Public Services and Procurement Canada to discuss the review process and other operational issues. At the end of the review, all these review reports are posted publicly on Canada.ca. ASC is the national not-for-profit organization that administers the Canadian Code of Advertising Standards. The code sets the criteria for acceptable advertising that is truthful, fair, and accurate. You'll hear more from ASC directly in a few minutes.

The government has also asked the Office of the Auditor General to audit the review mechanism and criteria to assess the effectiveness of the process. The Auditor General will confirm the scope and timing of this audit.

Under the policy, departments have not been allowed to advertise during a general federal election. The new policy extends that period to include the 90 days prior to a general federal election on a fixed date.

I'll make two additional points on advertising. Under the new policy, it is now prohibited to advertise initiatives not yet approved by Parliament, and trade agreements that require ratification cannot be advertised until ratified.

[*Translation*]

Let me now turn to the subject of spokespersons. Ministers continue to be the principal spokespersons for their departments. However, the new policy clarifies the role of departmental officials to ensure government information is made available to Canadians in a more complete and timely manner.

[*English*]

This is being achieved by allowing subject matter experts, including scientists, to speak publicly about their work without being designated as a media spokesperson. Designated media spokespersons continue to speak in an official capacity on behalf of their department regarding its policies, programs, services, and initiatives. In performing their duties, all public servants must respect privacy and security policies, and the values and ethics code for the public service.

Turning to digital communications, the new policy sets out very clearly a digital-first approach. What this means is that departments and agencies are using the web and social media as the principal channels to connect with Canadians. It's important that the government make information available and engage citizens on the platforms of their choice.

[*Translation*]

At the same time, we recognize that there are Canadians who will continue to require traditional methods of communications, so multiple channels are still being used to meet the diverse needs of the public. This approach allows the government to reach and engage with Canadians effectively in the official language of their choice, regardless of where they reside or what tools they have at their disposal.

[*English*]

One of the objectives of the policy is to ensure that the views and interests of the public are considered when developing policies, programs, services, and initiatives.

This brings us to the issue of public opinion research. Public opinion research is an important tool for seeking the views of Canadians. In the new policy, the approval level for this research has moved from the minister to the deputy head. This also provides an additional safeguard against the potential of public opinion research becoming politicized.

In addition, the policy provides a new definition of "public opinion research", making it less restrictive. For example, usability testing, which is often used in the development of web content, is no longer considered public opinion research. This will make it easier to continually improve government information and client services through the use of various web analytics tools.

Mr. Chair, this concludes my remarks. I'll now turn it over to my colleagues.

The Chair: Thank you very much.

We also have with us today from Advertising Standards Canada, Jani Yates and Janet Feasby.

Welcome. I'm hoping you're able to hear us as well as see us. We originally had you scheduled to give your presentation first, but because of the delay in getting our video conference link, we had to move on without you. Now that you're here, I would ask that you please give us your opening statements. Following the opening statements of our other witnesses here on site, we'll enter into a question and answer period.

Please, the floor is yours.

• (0855)

Ms. Jani Yates (President and Chief Executive Officer, Advertising Standards Canada): Good morning.

Thank you for the opportunity to speak to the Standing Committee on Government Operations and Estimates. Ad Standards is the national, independent, not-for-profit advertising self-regulatory body. For over 60 years, we have fostered community confidence in advertising and ensured the integrity and viability of advertising in Canada through responsible industry self-regulation. Advertising Standards Canada administers the Canadian Code of Advertising Standards, the principal instrument for advertising self-regulation in Canada and a national mechanism for accepting and responding to consumers' complaints about advertising.

Through pre-clearance of advertising and through industry education, ASC Clearance Services also helps to ensure that advertising in five regulated categories complies with the government requirements affecting advertising, as well as specific industry codes and guidelines. The five regulated categories are children's advertising, alcohol, food and non-alcoholic beverages, cosmetics, and consumer-directed non-prescription drugs.

Due to Ad Standards' experience in reviewing advertising, in 2016 the Government of Canada asked us to review government advertising based on criteria outlined in the policy on communications and federal identity and the directive on the management of communications. Ms. Baird just went through the four key areas: objective, free from political party slogans and the primary colours associated with that, etc.

Ad Standards has just completed its first year, having undertaken over 1,800 reviews. The process involves an initial review of advertising campaigns with budgets over \$500,000, which is mandatory, while departments may also choose to voluntarily submit campaigns with smaller budgets for our review. The initial review is then followed by a final review. Ad Standards' reviews are posted on the Government of Canada's website.

We have just signed a second-year contract, ending March 31, 2018, under which we will continue to review Government of Canada advertising against the criteria set out in the contract. We will also continue to participate in quarterly, or as needed, meetings to review the process and any other emerging operational issues.

Ad Standards thanks the Government of Canada for this opportunity and welcomes any questions.

The Chair: Thank you very much, both of you, for your opening statements.

We'll now go to Madame Fox for an opening statement, hopefully of 10 minutes or less.

[*Translation*]

Ms. Christiane Fox (Deputy Minister, Intergovernmental Affairs and Youth, Privy Council Office): Perfect, thank you.

Mr. Chair, ladies and gentlemen of the committee, thank you for this invitation to provide information on government advertising with my colleagues from other central agencies.

[*English*]

I am here today in my former role as the PCO's assistant secretary to the cabinet for communications and consultations. I have since accepted a new position as deputy minister of intergovernmental affairs and youth, but I occupied the assistant secretary position from March 2015 until last week.

As mentioned by my Treasury Board Secretariat colleague, the current process for the management of advertising was established in 2016. There were two important changes in the policy. The first one was the introduction of a clear non-partisan requirement for all government communications, and more specifically for advertising, and the establishment of an independent, mandatory oversight mechanism for any campaign with a budget of over \$500,000. The second change was the suspension of advertising activities 90 days prior to a general election on a fixed date. Another important change last year was the commitment made by the President of the Treasury Board to reduce advertising expenditures, which was also confirmed in budget 2016.

[*Translation*]

Also important to highlight is the fact that campaigns on initiatives that are subject to parliamentary approval or related to trade agreements that require ratification, as Ms. Baird pointed out, cannot take place until such approval has been received.

As noted by my colleague, the new advertising oversight mechanism is now in place for all campaigns over the \$500,000 threshold. On a voluntary basis, we can also submit for approval campaigns with a different value.

It is important to note that this process was established as an interim mechanism. The government has asked the Office of the Auditor General of Canada (OAG) to conduct an audit of this process. The scope and timing of these audits will be determined by the OAG. This process will remain in effect until a permanent oversight mechanism is established, in the form of legislation.

As part of its advisory role during campaign implementation, including ensuring that all advertising activities comply with the government's laws, policies and procedures, Public Services and Procurement Canada serves as the liaison between departments and Advertising Standards Canada (ASC) during the ASC's review process.

● (0900)

[English]

With respect to the role of each of the players in the government advertising process, the respective roles and responsibilities of institutions are established for all stages of an advertising campaign, including planning, implementation, and evaluation. In terms of PCO's role more specifically, it's very much in line with our role in government communications more broadly in that it focuses on the coordination of government communications generally and on advertising specifically.

In collaboration with departments, ministers' offices, and the Prime Minister's Office, PCO develops the Government of Canada's annual advertising plan in accordance with government priorities as determined by the Prime Minister, cabinet, cabinet committees, the Clerk of the Privy Council, and as described in the Speech from the Throne and in the budget.

PCO provides leadership, a challenge function, strategic direction and coordination during the implementation of major advertising campaigns. We also advise client departments on advertising, creative, and media strategies. Having a global view of all advertising campaigns within the government's broader communications strategy allows us to provide strategic advice on campaign timing and messaging. Our overarching role also allows us to share lessons learned from recent campaigns and apply them to future campaigns. We also provide feedback on creative work and on strategies, including suggesting alternative means of reaching target audiences and ensuring that all safety regulations are followed.

[Translation]

We also provide advice on public opinion research activities related to advertising, such as the best concept testing approaches for a given campaign. We can suggest, for example, in-person versus online testing. We also conduct post-campaign evaluation analyses.

While PCO always ensures that government communications are non-partisan, it does not play an active role in the non-partisan review process or in contracting for advertising. Rather, this is part of Public Services and Procurement Canada's and Treasury Board Secretariat's responsibilities.

Advertising activities can be funded by two sources: departmental operating budgets and the central fund, which was established in 2004 to support major government priorities. Last year, the government announced a permanent annual reduction of \$40 million in advertising expenditures.

The objective when planning government activities is to stay within this commitment by using both paid and unpaid communications channels to inform Canadians on key programs and services.

[English]

From 2005-06 to 2014-15, the government's advertising expenditures averaged approximately \$80 million per year. According to the information collected by Public Services and Procurement Canada, we anticipate last year's expenditures to be less than \$40 million. Final expenditures, once all invoices are received and verified, will be published in the annual report on advertising activities prepared by my colleagues.

This year's plan is very much a continuation of a number of last year's themes, for example, education and skills, Canada 150, free admission to Parks Canada places, settlement services for newcomers, and remembrance. All these initiatives will be funded via the central fund. National Defence and the RCMP will also continue their recruitment advertising campaigns using departmental funds for this year.

[Translation]

So how are advertising campaigns selected?

As part of the annual advertising planning cycle, departments and agencies prepare their annual advertising forecast. These forecasts include proposals to access the central fund for key government priorities.

Based on these priorities and the budget available in the central fund, PCO then prepares the Government of Canada advertising plan in close collaboration with departments and the Prime Minister's Office. The plan is then presented to the prime minister for approval and shared with the Cabinet Committee on Open and Transparent Government.

Once the plan is approved by the prime minister, PCO then prepares an omnibus Treasury Board submission to seek funding authority for campaigns funded via the central fund. The funding amounts are then submitted to Parliament as part of the government's estimates process.

Departmental advertising is also an important part of government advertising activities. It is most often local and targeted. Examples include legally required advertising, such as notices regarding permits or endangered species. There are also revenue-generating activities—such as Parks Canada tourism advertising—, program-related activities—such as the agricultural loans program— and recruitment-related advertising, as I said, for the RCMP or DND. There are also Health Canada recruitment notices for nurses for the North.

● (0905)

[English]

While advertising themes are relatively similar from year to year, at any time, unforeseen advertising campaigns could be deployed in the context of a major health crisis such as we saw during 2009-10 with H1N1. As has been mentioned by my Treasury Board colleagues, regardless of the source of funds, all government advertising is subject to the legislation, policies, and procedures that govern this function.

To assist all departments in complying with the new partisan requirement, a new coordination process was put in place, and PSPC serves as the liaison between the departments and ASC. As was also noted, the government's overall advertising expenditure has in fact been reduced. Given this cap, we need to work with departments on both earned and bought media in communicating our activities.

[Translation]

My colleague Marc Saint-Pierre will now give you an overview of the role of Public Services and Procurement Canada.

[English]

I hope this overview has been helpful to you today. I'd be happy to take your questions.

The Chair: Thank you very much.

Finally, we have Monsieur Saint-Pierre.

Please give us your opening statement, sir.

Mr. Marc Saint-Pierre (Director General, Government Information Services Sector, Department of Public Works and Government Services): Mr. Chair, members of the committee, ladies and gentlemen, my name is Marc Saint-Pierre. I am the director general of government information services at Public Services and Procurement Canada. I am accompanied by Caroline Mitchell, director of advertising coordination and partnerships at PSPC.

[Translation]

It is our pleasure to be here with you today to explain our department's roles and priorities as defined in Treasury Board's new policy on communications and federal identity, published in May 2016, and which relate to your important work.

Our department is responsible for three components of advertising. These components are managed by three separate administrative units.

The first component concerns the communications sector, which reports to the deputy minister and is responsible for coordinating advertising purchases within our department. However, as you know, PSPC is a very small advertiser, accounting for less than 1% of government spending.

The second component is the responsibility of the PSPC acquisitions branch, which is the contracting authority for the advertising services used by institutions. Thus, the department is responsible for the integrity of the government contracting process for advertising and public opinion research.

Finally, through the integrated services branch (ISB), which is my branch, our department provides advice to institutions on advertising laws, policies and procedures. This is the third and final component for which our department is responsible, providing advisory and consulting services and training.

The advertising coordination directorate, under Ms. Mitchell, is also responsible for the dissemination of advertising materials and best practices. These resources are available to hundreds of advertising and marketing specialists in the Canadian government.

We advise and guide institutions on the efficient implementation and management of advertising activities that comply with the government's laws, policies and procedures including the non-partisan review of advertising materials.

This directorate also has regular discussions with associations and stakeholders in the industry about current practices and new trends. It also produces the Government of Canada annual report on advertising activities.

Finally, ISB manages the agency of coordination better known as...

● (0910)

[English]

"agency of record", or AOR.

[Translation]

It is a private company under contract to our department following a public tendering process awarded in June 2015. The AOR is the only unit authorized to buy the vast majority of advertising space and air time at the lowest possible cost for the roughly one hundred government institutions subject to the policy on communications and federal identity.

[English]

I will now share with you a concrete example of PSPC's role in non-partisan advertising. Last year, in 2016, the Department of Finance managed a campaign for the budget and fiscal economic update initiative for Canadians. This campaign was an over \$500,000 case, so we went through a two-step process.

The first review is on initial draft creative material and consists of the following. Finance Canada will submit the advertising review form, which can be found on the web, along with the creative material to PSPC for an initial non-partisan review. PSPC will complete that form and forward it to Advertising Standards Canada for initial review of the creative material of the Department of Finance. ASC returns its determination that the draft creative materials of Finance Canada meet all non-partisan criteria to PSPC. We inform Finance of this decision by sending them the form, and the form is also sent to Treasury Board.

The second part of this review is on the final creative materials. Once again, Finance will submit to us, PSPC, the form with all the final creative materials for final non-partisan review. We will complete our part of the review submission form and forward all creative materials to ASC for final review, both in French and in English. ASC will return to PSPC its determination that the final creative materials of Finance meet all non-partisan criteria. We will send that form to Finance, and we will send a copy to Treasury Board. After that, those forms are posted on the website.

I have the Finance example that you can see there. You have a four-page document explaining all the ASC agreements on this.

As of June 1, 2017, 15 campaigns were reviewed and approved as part of this new process. To name a few: Immigration, Refugees and Citizenship Canada's electronic travel authorization campaign and settlement services campaign; Canada Revenue Agency's services campaign and tax compliance campaign; and finally, National Defence's recruitment ambitions campaign, phase one, and its priority occupations campaign. Finally, another example will be Employment and Social Development Canada's campaign on helping young Canadians succeed.

The next annual report is to be released in January 2018. We will provide information on the business volume of all of Government of Canada advertising campaigns contracted between April 1, 2016, and March 31, 2017, including all campaigns that went through this new review.

Advertising activities in the Government of Canada are governed by an administrative framework and various rules to ensure sound management of advertising campaigns. First, the departments and agencies must develop the advertising projects that reflect the government's priorities, and they must be submitted to the Privy Council Office, which is responsible for coordinating all advertising in the Government of Canada. The projects are then presented to cabinet, which decides which ones will be implemented. The cabinet also determines the maximum amount of funding for each one and confirms the source of funding. As was said previously, advertising funds can come from existing departmental resources or from the central advertising fund.

One of the basic principles of government advertising is that the institutions are ultimately responsible for their advertising campaigns, including, and it must be noted, decisions on the types of media used. Institutions' media choices are based on a number of factors, including: campaign objectives; target audience and market; type, time, and scope of the campaign; budget; and the cost of various media options.

[Translation]

You may recall that in our 2015-16 annual report, total advertising expenditures were \$42.2 million. Of that amount, 51% was spent on television, 34% on digital advertising, and 15% on print, radio and out of home. At a glance, 49 institutions launched more than 70 advertising campaigns between April 1, 2015 and March 31, 2016. Of these, 11 institutions had media expenditures of more than \$500,000, accounting for 86.7% of all advertising expenditures.

I would like to conclude with four points.

First, Public Services and Procurement Canada (PSPC) plays an important role in the management of advertising within the Government of Canada. It provides advice about relevant government legislation, policies and procedures to federal institutions as they undertake advertising.

Second, with the updating of the policy on communications and federal identity, PSPC has updated its procedures to assist federal institutions in obtaining non-partisan reviews.

Third, PSPC helps federal institutions submit advertising materials for campaigns over \$500,000, in both production costs and media placements costs, to the Advertising Standards Canada for the two part non-partisan review process. As I said, there is the initial stage where draft creative is reviewed, and the final phase where final materials are reviewed prior to placement or airing.

• (0915)

Overall, at this point, the process is working smoothly.

[English]

On behalf of PSPC, I thank you for your attention. We would be happy to answer your questions to the best of our knowledge.

[Translation]

Thank you very much.

[English]

The Chair: Thank you very much to all of our witnesses.

Colleagues, we'll commence with our rounds of questioning. I have a quick comment before we do. We have a little less than 90 minutes for the remainder of this meeting. I'd like to save about five minutes or so at the end to go in camera to talk about future business and our future meetings. We should be able to get through a complete full round and one additional seven-minute round.

With that, I'll start the questioning with Mr. Whalen, for seven minutes, please.

Mr. Nick Whalen (St. John's East, Lib.): Thank you very much, Mr. Chair, and thank you, witness, for joining us on somewhat short notice. Obviously, advertising standards and advertising spend of the government was an election issue in 2015 and commitments were made, so we're thankful for this opportunity to try to evaluate whether the measures that have been put in place are sufficient and achieve the goal.

My first question concerns the types of media that are being purchased. When I look at the spend for the previous year, for which we have reports, about 51% was on television, 34% on digital, and 15% on print. How does that compare to the previous distribution of media spend, say, over the period of study that you talked about, for the previous nine years?

Mrs. Louise Baird: I can start and my colleagues might want to add something.

In the policy, we did emphasize that digital should be the initial approach for government departments to communicate with Canadians. Obviously, that's what's happening in the world. People are using digital more often, so we have seen quite a significant rise in the percentage of digital campaigns. I think we're up at about 34% of spend that's on digital now.

Mr. Nick Whalen: If I look at print and radio, which is like small-market marketing campaigns, it looks to be about \$6 million for that fiscal year.

What would it have been over the previous period of time? Government advertising in small-market media tends to support that media. It's a good buffer for them. How much has been withdrawn from the small-media marketing by government? If it was \$6 million in the previous year, what was it like over the previous nine years?

Ms. Christiane Fox: I think I can answer part of that question, in the sense that absolutely, there has been an increase in digital. As you noted, that's what the dollar distribution—

Mr. Nick Whalen: Do you have a dollar amount for the decreases?

Ms. Christiane Fox: Yes.

It's 34% in digital in 2015—

Mr. Nick Whalen: I was just worried about the print and radio. What has been the reduction? We're spending about \$6 million per year now. What were we spending on average on print and radio in the previous 10 years?

Ms. Christiane Fox: I can tell you percentages. From 2011 to 2012, we were spending 14% in digital and now, we're spending 34%.

Mr. Nick Whalen: For print and radio, please.

Ms. Christiane Fox: For print and radio, I'll see if I have that somewhere.

Mr. Nick Whalen: I'm assuming it's roughly a reversal, but also a reduction.

• (0920)

Mr. Marc Saint-Pierre: Media by radio for fiscal year 2010-11 is \$4.879 million and for fiscal year 2016-17—

Mr. Nick Whalen: What was the print for that year? That was just radio.

Mr. Marc Saint-Pierre: That's 8% for radio and for print, I have it divided in all kinds of print.

Mr. Nick Whalen: From the percentages, it sounds like it's a drop, but it's about a role reversal really. It used to be 34% of \$80 million, so something on the order of \$25 million or \$26 million and it dropped down to \$6 million. Therefore, we've taken \$20 million per year out of the small-market media buy. Is that about right?

Ms. Christiane Fox: I'd have to check the math, but, yes.

Mr. Nick Whalen: Okay, that's fair enough. I'm just going to move forward, thanks.

With respect to the digital media, obviously, you are able to track how people interact with digital media so much better. How much traffic do you expect is being driven to the Government of Canada websites on the basis of the digital ads?

Ms. Christiane Fox: The agency record does provide us with benchmarks to give search engine marketing and advertising. The average click-through rate is about 2%. As an example of a successful campaign, Health Canada had a click-through rate of over 8% with their seasonal flu campaign.

Mr. Nick Whalen: Fantastic.

Ms. Christiane Fox: We can have a little bit more data. For Facebook advertising, which is the industry standard, we're at about 1%, and on the drone safety campaign, for example, we went up to a click-through rate of 2.73%. Therefore, we are able to have more metrics through digital that we can assess and evaluate to see where we had more success and where we did not.

Mr. Nick Whalen: Wonderful.

Clearly, since we're seeing so much traffic being driven from digital to the platform, really the platform is where our message is, so that really is the advertising. Does the policy apply to the Government of Canada websites?

Ms. Louise Baird: The policy applies to all Government of Canada communications, which of course includes the websites. A big part of our communication is driving people to the web to get their information.

I think we do need to make a distinction, though, between all other kinds of communications and advertising. Advertising is purchased, so it's paid purchase of space in a media outlet. That includes social media in some cases, but there is obviously use of social media that's not paid placement. I simply want to make that distinction there.

Mr. Nick Whalen: It might not be paid, but it certainly has a cost to government. We're spending a lot of money, as a government, in providing IT infrastructure.

We've dropped the third party advertising spend to half, roughly, based on the presentations, from about \$80 million per year to \$40 million.

What do you expect the increase in the IT spend has been to accommodate our ability to engage digitally with the public, in terms of improving our media presence on our own websites, in terms of enabling employees to access digital infrastructure, opening these accounts, and the time they spend as employees managing social media? That's internal advertising spend, so do you guys have a grasp on how much our internal advertising spend has increased, while our external spend has been dropped to half?

Then I have one more question for the people in line.

The Chair: You have about one minute left to get all of those in.

Mr. Nick Whalen: If you don't have the answers, maybe you guys can simply give some information to the committee in written form on what that spend has become.

I'd love to ask the folks from ASC about.... It looks like you have done some great review on about 16 media campaigns over the last year, representing about 1,800 or so images. Is that right?

Ms. Janet Feasby (Vice-President, Standards, Advertising Standards Canada): It's about 15 campaigns, and we've done 1,800-plus reviews.

Mr. Nick Whalen: Great.

Have you guys received any commentary or questions or been asked to review any of the campaigns under \$500,000?

Ms. Janet Feasby: I don't know. You'd have to ask PSPC.

Ms. Louise Baird: Yes, there have been two campaigns that were voluntarily submitted for review through ASC that fell below the \$500,000 threshold.

Mr. Nick Whalen: Okay, great.

How—

The Chair: Unfortunately, you've run out of time. I know you have many more questions, but we do have another round coming.

I'll turn it over to Mr. McCauley, for seven minutes, please.

Mr. Kelly McCauley (Edmonton West, CPC): Welcome, everyone. I'm going to bounce back and forth so I hope you'll bear with me.

We discussed quickly before about scientists speaking out, and I realize it was controversial, but you commented that they're not allowed to speak out as spokesmen for their departments, which I understand. How are they presenting themselves, then, if they are talking to the media? Is it just as a Canadian or are they allowed to say, "I work for the government in this department and this is my role, but I'm not speaking on behalf of this department"?

• (0925)

Ms. Louise Baird: They are speaking in an official capacity per their specific role. If we use a scientist, as an example, if they're focused on a specific area of research they can speak on behalf of the government.

Mr. Kelly McCauley: You said they're not allowed to speak out as spokespeople for their departments, so how are they presenting themselves, or how are we allowing them to present themselves when they are speaking?

Ms. Louise Baird: I guess I'll make the distinction of a general official spokesperson for a department as someone—

Mr. Kelly McCauley: I don't need that. Just for the scientists, when we say that they're not allowed to speak as spokespeople for their department—the minister is, I understand that—how are they allowed to present themselves, then, to the media when they are presenting some of their opinions or information that's not officially on behalf of the ministry?

Ms. Louise Baird: It is officially on the department's behalf, but within their narrow field of expertise. It's not being a spokesperson for the whole department, but to be able to speak very knowledgeably about their specific area, obviously.

Mr. Kelly McCauley: Are they allowed to speak out freely, then, on their—

Ms. Louise Baird: Yes.

Mr. Kelly McCauley: Okay.

How are they presenting themselves?

Mrs. Louise Baird: As their title, as that Government of Canada official—

Mr. Kelly McCauley: Okay, that's what I'm asking.

Ms. Louise Baird: Yes, as part of the department.

Mr. Kelly McCauley: Okay, thanks.

I want to get back to what Mr. Whalen was discussing about how we're breaking up the spending.

We saw a huge drop in the print and radio, and Mr. Whalen was saying that perhaps that's small-market advertising. Would that be correct, or would that be like a nationwide radio service, like a Corus station, or would it be in *The Globe and Mail*, or the *National Post*, or is it small-market advertising that's taking the hit?

Ms. Christiane Fox: There has been a shift in government spend—

Mr. Kelly McCauley: I realize that.

Ms. Christiane Fox: —so I think it would probably be a little bit of both, frankly.

On the national print to the local print, you would see reductions in both.

Mr. Kelly McCauley: We saw last night some news from a committee that the government is now talking about a 5% tax, which we term a Netflix tax, with the money being used to support local media.

How much consideration has the media spin given to supporting Canadian broadcasters or print? A huge amount has been spent on Facebook and other U.S. sites. Is there any consideration for that, or is this just where we are getting our best bang for our buck?

Ms. Christiane Fox: The answer is twofold. First, for every single campaign, people are doing the research in terms of where their target audience is, and they're making decisions based on that target audience.

The second—

Mr. Kelly McCauley: Are we giving consideration then to...?

Ms. Christiane Fox: Yes. If you're at DND and you want to do advertising recruitment for a position on a local base, then you would absolutely be well served to go into print and radio, to—

Mr. Kelly McCauley: You're missing my question. Is extra consideration being given to supporting them solely because it's a local Canadian business, or is it solely done on the reach of the advertising?

Ms. Christiane Fox: I think both would be considered.

Mr. Kelly McCauley: Thanks.

Ms. Baird, we talked about public opinion polling. It came up in a previous committee, but we didn't get a clear answer. It's been pushed to the DM level, I assume.

Who is directing, though, the DM on what areas we're polling on? I can't imagine the DM is now just running free to decide. Is the choice of polling subjects being physically pushed down for their decision but still getting directed by the government?

Ms. Louise Baird: The deputy head approves the annual POR plan. The head of communications within each department works with the programs and the policy people across the department. The POR is meant to inform policy development and the establishment of programs. There is usually an annual call-out. In our department we do an annual call-out to all of our program and policy colleagues to ask what they'll be working on the next year so that we can start the POR planning.

Mr. Kelly McCauley: How much are we spending on polling? If you don't have the answer, you can get back to us.

Mr. Marc Saint-Pierre: The last annual report published on our website was \$3.4 million, if I'm correct. Last year, which finished March 31, 2017, there was about \$12.5 million.

Mr. Kelly McCauley: Budgets over \$500,000 are subject to review, which is great. How are we ensuring that a larger project is not getting split into two, three, or four RFPs or bills in order to skirt that regulation?

Ms. Louise Baird: They're based on campaigns, so anything that falls within one campaign can't be split. I would use Canada 150 as a good example. There are many ads in different places through different time periods, but it's considered one campaign, so it's dealt with as a whole. There are rules in place to guide that.

Mr. Kelly McCauley: Okay.

● (0930)

Ms. Christiane Fox: I would add that it's creative and media buy, the combination of the two.

Mr. Kelly McCauley: You're going to have to get back to me on this next question because I know you're not going to have the answer here.

You've done a great job explaining a lot of the items, but I'm looking at PSPC, the advertising coordination partnerships directorate. We have a communication procurement directorate, a public opinion research directorate, and advertising management information systems. At TBS we have an assistant secretary of strategic communications and ministerial affairs. We have all these positions and bodies overseeing the advertising.

I'd like to hear from each of the departments—you can get back to us later—how much we're paying for all of these positions, directorates, and labour. It gets back to Mr. Whalen's question about how much we've shifted over. We don't have direct advertising costs for media, but now we're bearing the brunt in IT support. I'd like to hear specifically from each of the departments how much we're spending on all of these bodies for oversight, purchasing, and everything else.

The Chair: We don't have enough time for detailed answers now. If you could supply that information to the committee through our clerk, it would be much appreciated.

Mr. Marc Saint-Pierre: When the government did the major review of advertising and public opinion—I'm talking about 2005-06—to establish a new framework, the logic behind it was to add

checks and balances. Today, there is not one single department that could do a campaign from start to finish without coming to Public Works, without having some consultation with PCO, and without going to Treasury Board. That was the logic, although I'm not responsible for the contracting at Public Works. Checks and balances were the key to improving our management of the system.

The Chair: Thank you. We have to go to Mr. Weir now, but we will have ample opportunity for subsequent questions.

Mr. Weir, you're up for seven minutes, please.

Mr. Erin Weir (Regina—Lewvan, NDP): Thank you.

I'd like to ask about the criteria for partisanship that Ms. Baird laid out. The last one is, "Advertising specifically must not include the name, voice or image of a minister, member of Parliament or senator." Is that rule being followed?

Ms. Louise Baird: Yes, absolutely it is.

Mr. Erin Weir: There was a bit of a controversy about a year ago with ads from Destination Canada featuring the Prime Minister.

Ms. Louise Baird: If I recall correctly—I might defer to my PCO colleagues—there were some questions about a video. I think it's important to make the distinction, as I think we were trying to do a little earlier, between what's advertising and what's not advertising. That specific criteria in terms of using a name or the image of a minister is specific to advertising. Ministers, as the principal spokespersons for their departments, are certainly able to go out and speak on behalf of their departments, so a video is not advertising. It still obviously has to be governed by the non-partisan elements, but the one criteria you speak to is specific to advertising—paid placement.

Mr. Erin Weir: I guess this gets into an issue that Mr. Whalen was also trying to explore about whether these rules apply to government websites, or perhaps videos, in this case, that might not technically be considered advertising but are being advertised through this hugely increased spending on digital promotion.

Ms. Louise Baird: Yes, I guess it's.... I mean, in the terminology for us, advertising means a very specific thing in terms of purchasing space in a media outlet. Traditionally, you think of placement in *The Globe and Mail* or *Le Droit*, and you talk about billboards outside, radio, and TV, and now, obviously, social media placement. A video that is produced and put on our departmental website, we don't consider advertising. It's not considered advertising under the policy —

Mr. Erin Weir: Yes, I think it clearly is much more straightforward for that billboard or a newspaper ad that's a stand-alone thing. It does seem to be a little more complicated in the digital universe.

When Mr. Whalen initially asked about this, the answer I heard was that, yes, these rules do apply to government websites. It sounds like they don't, or maybe they can't, in the case of prohibiting the name, voice, and image of a minister.

Ms. Louise Baird: All government communications, including when a minister is speaking or is in a video, are covered by the non-partisan definition. There is one criteria in the non-partisan definition that is specific to advertising, and that's the one you're referring to.

Mr. Erin Weir: Okay. It applies, but with that exception. I appreciate the explanation on that.

Mr. Saint-Pierre, you talked about the process that Finance Canada would go through to get advertising approved. That caught my attention, because our analysts flagged the fact that Advertising Standards Canada, on its website, had suggested that the advertising for the last federal budget was partisan. I'm wondering if representatives from ASC could comment on that.

• (0935)

Ms. Louise Baird: I'm not sure that they would be aware.

Ms. Jani Yates: I'm not sure what you're referring to.

Ms. Louise Baird: I am, because it was posted on our website. That was just an error. We discovered it recently. The campaign was deemed non-partisan, and on the English side of the site, it did say “non-partisan”. It was a human error where it was written as “partisan”. That has since been corrected.

Mr. Erin Weir: Okay. It was just a mistake on the website.

Ms. Louise Baird: It was just a human error, yes.

Mr. Erin Weir: Thanks for clarifying that.

I want to ask about some recent academic publications in this area. I don't know if people are familiar with an article in *Policy Options* back in April of this year by Professor Marland, from Memorial University. The title of it is, “Government communications under Trudeau”. The subtitle reads, “Just like their predecessors, the Liberals are using campaign-style tools for government communications. Much is still controlled through the PMO and PCO.” This article was a synopsis of a more academic piece in *Canadian Public Policy*.

I don't want to make people comment on something they haven't looked at, but if anyone did have a chance to look at that publication, I'd be interested in any comments.

Ms. Christiane Fox: I saw that publication. It's important to note that PCO's role in government communications is that coordination

role. That can be to find synergies in a system that may not be obvious to departments that are working independently of each other.

A certain centralization occurs because of the coordination role we play. Another example is when we go out and do call-outs with public opinion research; it's important that we don't duplicate in the system. If it is flagged to PCO through the checks and balances system, that allows us to say to departments, “You're doing this on public opinion research, and Immigration is doing that. Maybe there's a way we can work together to improve cost-effectiveness, collaboration, and information sharing.”

The fact that PCO is involved in government communication is the role that we play. It allows for more organized communications across government, and that is a big part of what we do. The system works when all the pieces work, when departments are sharing information with each other, with us, with the minister's office, and with the Prime Minister's Office through PCO. That is how the system can be effective, and how we can work better together and less in silos.

Mr. Erin Weir: I don't want to put words in your mouth, but is your response essentially that Professor Marland's findings are correct, but that this is the legitimate role of PCO?

Ms. Christiane Fox: I'm not going to comment on his findings. This is one article, and he may have years of research that I have not been exposed to.

Mr. Erin Weir: Okay. I'm just asking about one article.

Does anyone else wish to comment?

No problem.

I want to ask about another one of the non-partisan—

The Chair: Mr. Weir, you only have about 15 seconds. Do you want to hold your comments until the next round?

Mr. Erin Weir: I can leave it to a subsequent round, and just say thanks.

The Chair: Thank you.

Mr. Peterson, for seven minutes, please.

Mr. Kyle Peterson (Newmarket—Aurora, Lib.): Thank you, Mr. Chair. Thank you, everyone, for your informative presentations this morning.

I just want to clarify the definition of “paid advertising”. When you say paid advertising, my interpretation is that the Government of Canada is paying to place an ad in some media. It has nothing to do with the production of the creative content or anything like that, so there would be many digital media that wouldn't be paid advertising, and therefore not subject to some of the analysis.

Ms. Louise Baird: That's correct. If it would be useful, I'd be happy to read the definition from the policy.

Mr. Kyle Peterson: Yes, then we can get it on the record too.

Mrs. Louise Baird: It reads:

Government of Canada advertising is defined as any message conveyed in Canada or abroad and paid for by the government for placement in media, including but not limited to newspapers, television, radio, cinema, billboards and other out-of-home media, mobile devices, the Internet, and any other digital medium.

Mr. Kyle Peterson: Thank you.

Mr. Marc Saint-Pierre: If I may, when departments come to meet, there are two questions you have to ask yourself. Do you control 100% of the message? If the answer is yes, you move on to the second question. Do you pay a third party or compensate a third party outside of the government to have that message broadcast or put on the air? If the answer is yes, that's advertising.

I'm going to give you a simple example. There's a huge billboard by Health Canada about quitting smoking. That huge billboard is placed at Place du Portage, just when you come up the Portage Bridge. That building is a Public Works building. That's not advertising, because they're not paying a third party to have it shown. For the same billboard placed on Highway 640 in Laval, you pay somebody for the same billboard, the same size, and the same colours—that's advertising.

• (0940)

Mr. Kyle Peterson: Thank you. I think that example helps to clarify things. We appreciate that.

Any government advertising is subject to standards beyond the non-partisanship that we're discussing today. As the advertising standards council, you guys would potentially review government advertising, not based on its non-partisanship, but on other analysis and criteria that need to be met based on your code. Is that correct?

Ms. Janet Feasby: No. We simply review the advertising—

Mr. Kyle Peterson: I mean, if there was a complaint about advertising.

Ms. Janet Feasby: If there was a complaint, yes.

Mr. Kyle Peterson: Right. What you guys do is far beyond just the paid advertising component, obviously.

Ms. Janet Feasby: Yes. We administer the Canadian code.

Mr. Kyle Peterson: Have there been recent complaints about government advertising to your council?

Ms. Janet Feasby: Not that I'm aware of.

Mr. Kyle Peterson: Okay. Thank you for that.

I want to talk about the directive itself. The directive has four objectives. I would like to have an interpretation of what you think this part of the objectives of the directive means: "Government of Canada communications and the administration of its corporate identity are cost-effective and achieve savings through standardization."

How is that manifesting itself in the operations of your department?

Mrs. Louise Baird: There are standard uses of word mark or identifiers for the Government of Canada and departments. Because

they are all the same, there are guidelines on how to use them the same way. It effectively reduces that cost and makes sure it's consistent. More importantly, it makes it consistent so people recognize it's the Government of Canada.

Mr. Marc Saint-Pierre: An example for saving, and I mentioned it in my speech, is that all the buying is done by one private company under contract with PSPC. When that company goes to CTV for a media buy, it is not only speaking for Health Canada or one department. It puts all the buys together and even buys of other customers it has. It asks CTV—we usually buy \$6 million or \$7 million—what the best price is that it can give us. Of course we're obtaining a better price than if it's done one by one, by each department.

That company is audited over the course of the contract to make sure we're obtaining the best price for every buy we're doing. Until recently, we were buying \$80 million and there was about \$60 million that was for media buys. That's a better tool than if one department goes alone.

Mr. Kyle Peterson: Could those cost savings not be achieved without this directive? That just seems to me to be good business sense.

Mr. Marc Saint-Pierre: If every department was to do their own buy, it would pay the regular price. We would possibly have five departments with advertising in the same week on the same channel and the same this and the same that. If we compare ourselves with other governments, this is the best way to obtain the best value for the dollars we're spending.

Ms. Christiane Fox: It could be done outside the directive if people kind of...good business sense, as you noted. With the large scale of government operations and its regional presence, HQ putting it in the directive makes it very clear to people, new players, old players, as they come into a position, that this is the directive they follow. It allows the system to work as it should.

Mr. Kyle Peterson: I appreciate that. I think it's an important part of the directive.

I think it was you, Ms. Baird, who mentioned the ban on advertising in the 90 days prior to the fixed date election.

Is there any contemplation about a writ being longer than 90 days? Would the ban kick in at the earlier of the writ or that 90-day period? Theoretically, the writ could be 120 days or 150 days.

● (0945)

Ms. Louise Baird: As it was in the previous policy and continues to be, once the writ is dropped, there's a ban on advertising. In addition to that, I guess it depends when the writ is dropped and when the election date is set. It's to also ensure that when there's a fixed election date, we include that and have that 90-day period as well.

Mr. Kyle Peterson: Right.

Ms. Louise Baird: Either way, it gets captured.

Mr. Kyle Peterson: My reading of it is that it's the earlier of whatever day. Okay. I just wanted to make sure that was clear, because obviously that was the intent of that.

Thank you.

The Chair: Thank you very much.

We'll now go to five-minute rounds. We'll start with Mr. Clarke.

[*Translation*]

You have five minutes.

Mr. Alupa Clarke (Beauport—Limoilou, CPC): Thank you, Mr. Chair.

Hello and thank you to our witnesses for being here with us this morning. Your presence is very much appreciated.

I do not know who can answer this question, so it is open to everyone.

How much does Canada spend on advertising in other countries?

Mr. Marc Saint-Pierre: Are you referring to advertising that we purchase from foreign media?

Mr. Alupa Clarke: Yes.

Mr. Marc Saint-Pierre: We spend very little on advertising outside Canada. In Washington, for instance, it is minimal. Most advertising is published in Canada in media directed to Canadians. Very little is spent abroad.

Mr. Alupa Clarke: Global Affairs Canada advises departments on their spending on advertising outside Canada. That is why I would like to know how much is spent.

Mr. Marc Saint-Pierre: We can forward that information to you, but it is very little.

Mr. Alupa Clarke: Can you provide that to us?

Mr. Marc Saint-Pierre: Once again, let me remind you of the definition of advertising.

Mr. Alupa Clarke: Yes.

Mr. Marc Saint-Pierre: We will provide you with the amounts that...

Mr. Alupa Clarke: I understand, but I am referring to real advertising.

Mr. Marc Saint-Pierre: There is very little abroad. We will provide the figures to you.

Mr. Alupa Clarke: I would also like to know how much is spent for China.

Mr. Marc Saint-Pierre: I have read newspaper articles that referred to posters or signs as "advertising". If the sign is on the Canadian embassy, it is not advertising.

Mr. Alupa Clarke: I understand, sir, but that is not what I am referring to. I mean actual advertising, according to your definition.

Mr. Marc Saint-Pierre: Perfect, we will send you the information.

Mr. Alupa Clarke: Thank you.

Do you also keep statistics on the results of advertising campaigns? How Canadians responded to such a campaign? To what extent did Canadians understand it, see it or digest it? Do you have targets? Do you have statistics on the results of advertising campaigns?

Mr. Marc Saint-Pierre: All advertising campaigns valued at over \$1 million have to be tested in advance and evaluated by an independent company, usually a public opinion research company. All the findings in these companies' reports are posted on the Library and Archives Canada website, as required by law and by Treasury Board policies.

Mr. Alupa Clarke: Good.

Are those public opinion research contracts included in the costs as such or are they additional costs?

Mr. Marc Saint-Pierre: No, their cost is included in the cost of the advertising campaign that the department must incur and allow for from the outset.

Mr. Alupa Clarke: Very well.

Are there techniques or tools to maximize those costs for taxpayers, to ensure that advertising truly reaches out to the intended group so as to maximize the effectiveness of that spending?

Ms. Christiane Fox: Yes, there are. I think that is part of our coordination role. That means that two campaigns can be joined into one. Sometimes Health Canada supports Indigenous and Northern Affairs. They can take targeted action in a specific region in order to minimize costs.

In addition, we consider whether extending a campaign over more than a year would make it more effective, for instance in the case of a health campaign about drugs and the secondary effects on children. If we support departments over a longer period of time, perhaps they will not need as much money as a result of this guaranteed funding.

● (0950)

Mr. Alupa Clarke: Good.

Ms. Christiane Fox: Yes, we can work with the departments in different ways.

Sometimes choices have to be made. For example, a campaign might be important, but we determine that it is not necessarily urgent for that fiscal year, so it is postponed to the next year and we run a different campaign instead.

Mr. Alupa Clarke: That is a way to maximize...

Ms. Christiane Fox: Yes, exactly.

Mr. Alupa Clarke: Thank you.

Ms. Baird, my colleague from the NDP, asked a very good question about the Treasury Board Secretariat website. You referred to human error. I would like to point, Mr. Chair, what a paradox it is that changes to the site were made last night. We received our analysts' fine work yesterday or the day before. It seems that someone relayed that information to Treasury Board.

I wanted to mention that, Mr. Chair, before my next question.

What is the forecast spending for advertising campaigns in 2017-18?

Ms. Christiane Fox: I can answer that question.

We are currently forecasting about \$40 million for 2017-18. We expect there will be from \$25 million to \$30 million for the central fund and the rest for departmental expenditures.

The expenditures will be based on this year's campaigns: learning, education, Canada 150 until the end of the year, and free admission to parks. So there are campaigns that will keep going this year.

There are also some new ones. At the departmental level, I know that a few campaigns will be launched in the coming weeks, including a Health Canada strategy against fentanyl.

Mr. Alupa Clarke: Good.

Ms. Christiane Fox: On the whole, those are the campaigns for this year. So we are forecasting \$40 million. There is some flexibility in the system. We always make sure that the campaigns...

[English]

The Chair: Thank you very much.

Madam Ratansi.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Thank you for coming. I have five minutes, so I'm going to be quite quick.

It says that in the previous policy there was no independent oversight. Is the ASC now the third party oversight body?

Mr. Marc Saint-Pierre: Yes.

Ms. Yasmin Ratansi: Good.

I have a question for you. You might not be able to answer the question, but we have an advertising expenditure for the federal government from 2009-10, and then 2015-16. It's a campaign of \$511 million in total up until 2015. The one glaring thing to me was the economic action plan, which had billboards all over. Under the current policy, would that be allowed?

Are you familiar with the economic action plan? No? If you're not, it's okay.

I'm just looking at the rules of what the current advertising should be, the objectives. It should be "objective, factual, and explanatory" and it should not have any political colour or biases or whatever. Have you, during those times, received any complaints from any citizens, for example?

Ms. Janet Feasby: Are you asking about advertising standards?

Ms. Yasmin Ratansi: Yes.

Ms. Janet Feasby: Okay. We do.

Ms. Yasmin Ratansi: What was your reaction or what was your assessment?

Ms. Janet Feasby: The criteria weren't in place at that time.

Ms. Yasmin Ratansi: Okay. That's my next question for you.

When you receive complaints, by what standards do you judge them—by your standards or will you now be judging by the current standards?

Ms. Janet Feasby: It will depend on what the complaint alleges.

For example, all complaints about advertising, whether it's government or car advertising, or food, or whatever, we review under the Canadian Code of Advertising Standards, which deals with things like accuracy and clarity, safety, and unacceptable depictions and portrayals. If a complaint is alleged about permanent advertising that falls under the code, then we would review it under one of their 14 clauses. If a complaint alleges that an ad is partisan, that's something we would forward to the government to deal with.

Ms. Yasmin Ratansi: Okay.

Yes, Monsieur.

Mr. Marc Saint-Pierre: A few years ago, too, the board made a modification to the policy. We have to respect the 14 criteria of the code of ASC at the start of it. That's basic. That's a mandatory rule, on top of which we just added the new review, non-partisan process. If a campaign doesn't meet the ASC code, it should not be here in that form.

• (0955)

Ms. Yasmin Ratansi: That applied to the—

Mr. Marc Saint-Pierre: Any advertising campaign of the Government of Canada today must respect the 14.

Ms. Yasmin Ratansi: Today, but not—

Mr. Marc Saint-Pierre: Well, in the last two years, because this was modified, if my memory serves me correctly, a year and a half or two years ago.

Ms. Yasmin Ratansi: Fair enough.

They monitor the third party review, but you have the Auditor General. What is the role of the Auditor General?

Can somebody answer the question?

Mrs. Louise Baird: At the time that we put the third party oversight mechanism in place, the government also asked the Auditor General to initiate an audit of the process to ensure that it was working well. The Auditor General will determine the timing and the scope of that audit.

Mr. Marc Saint-Pierre: The last time the Auditor General visited advertising and POR was in February 2007. Here's the conclusion:

1.84 In our current audit, we found that PWGSC has made satisfactory progress in ensuring that it awards contracts for advertising and public opinion research services in a fair and transparent manner in accordance with the Treasury Board's Contracting Policy.

1.85 Departments have made satisfactory progress in ensuring that planning for advertising activities and managing suppliers is done in accordance with the Communications Policy of the Government of Canada.

1.86 The government has made satisfactory progress in ensuring that there was adequate documentation to support invoices submitted for payment for advertising and public opinion research activities.

1.87 The results of advertising and public opinion research have been measured and reported in accordance with the requirements established by the Communications Policy of the Government of Canada.

That was in 2007, and we haven't had an audit since that time.

Ms. Yasmin Ratansi: Thank you.

The Chair: Thank you very much.

Mr. McCauley, go ahead for five minutes, please.

Mr. Kelly McCauley: This is for either ASC or you, Ms. Baird.

What is the contract value for ASC for the oversight per year, please?

Ms. Louise Baird: For the year that just concluded, it was \$65,000 plus HST, and the one that we just put in place is for \$73,000.

Mr. Kelly McCauley: Okay, so it's very little. Your ladies are doing a lot of work for little money.

Facebook and the other social media that the government is doing advertising on are generally very interactive, but they also have the ability to collect a lot of data from people who are interacting. I'm curious as to whether this data being collected is being stored, deleted immediately, or used for any other purposes. If it is being stored, how are you protecting it? We have seen a large number of data breaches in the government, so I'm just curious, if any of this information is stored, as to how it is being protected.

Ms. Louise Baird: Could I ask for clarification? Do you mean in advertising that is posted or paid for on Facebook or in Government of Canada Facebook accounts?

Mr. Kelly McCauley: I mean either, anything being collected from citizens, and it's all government.

Ms. Christiane Fox: Any communications activity, whether it be government advertising or any type of process, would have to adhere to the privacy law. Everything we do is subject to that.

Mr. Kelly McCauley: Is the data being used for anything?

Mr. Stéphane Lévesque (Director General of Operations, Communications and Consultations, Privy Council Office): For advertising, the data is used so that we can get a better sense of where we're having the greatest impacts. We look at the number of clicks and the click-through rate, but we don't collect data and use it for anything—

Mr. Kelly McCauley: You're using it solely for verification of how effective it is.

Mr. Stéphane Lévesque: It's for targeting and to see how effective it is.

Mr. Kelly McCauley: You're using it for nothing else?

Mr. Stéphane Lévesque: There's nothing else.

Mr. Kelly McCauley: Okay.

Mr. Marc Saint-Pierre: If we do POR, the private company must keep the information it is collecting.

Mr. Kelly McCauley: I'm sorry.

Mr. Marc Saint-Pierre: When we do public opinion research, the private company must keep the information, store it on a computer in Canada, and that information is not released in any way unless we have an ATIP request and we would release everything except the name.

Mr. Kelly McCauley: But it's not being used by the government for anything else.

Mr. Marc Saint-Pierre: No.

Mr. Kelly McCauley: Thank you.

I want to go back to measuring the effectiveness of the ads, which my colleague was asking about. I may have misheard, but it sounded as though you evaluate campaigns of \$1 million and above, so for an \$800,000 campaign, you're not measuring the effectiveness.

• (1000)

Ms. Christiane Fox: Everything \$1 million and above is subject to an assets full mandatory evaluation, but for every campaign, we encourage all departments, whether they're running a small or a large campaign, to absolutely look at evaluation methods and results.

Mr. Kelly McCauley: You're encouraging them. We've seen repeatedly that encouraging means it doesn't get done. If it's not deemed mandatory, it's generally not being done. So for an \$800,000 ad done by another department, not specifically under your control, are we not measuring effectiveness?

Ms. Christiane Fox: No, I would say actually that there are other mechanisms by which we request that information. As we make decisions on the plan, having information on a previous campaign or information, results, and data on other methods of communications and their effectiveness will allow you to make a business case as to why you should be getting money in this fiscal year or why you should be using departmental versus central. Although it's mandatory for \$1 million and up, it is absolutely essential for departments to provide that information as we make decisions.

Mr. Kelly McCauley: What metrics are you using to decide whether a campaign was effective? We've seen other government departments... The Senate talked about infrastructure and its measure of success was spending the money, not actually getting anything done. What metrics are we using for advertising?

Ms. Christiane Fox: I would say that the digital tools are allowing us to do a lot of shareables through social media. We look at increases to the Canada.ca., the common platform—

Mr. Kelly McCauley: Who's deciding what metrics we're using so we're not repeating the same ad that might not be successful?

Ms. Christiane Fox: PCO works with departments on what tools are available to them. We assist some more than others depending on the level of sophistication that they have, and then we share some of the lessons that we've learned from departments. We have the ability, because of where we sit, to share that information. Who is doing it and with what tools depends on the campaign. If it's a very local campaign, it could be measured by the number of applications you received on the job posting compared to the number last year when you didn't advertise.

Mr. Kelly McCauley: It sounds like a bit of a work in progress.

Ms. Christiane Fox: It's about the sophistication depending on the tools that we have.

The Chair: Thank you very much.

[*Translation*]

Mr. Drouin, you have five minutes.

[*English*]

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair.

Ms. Baird, I read your statement, and one issue that's important to me is the fact that we now prohibit advertising initiatives that have not yet been approved by Parliament. This issue was raised for me as a Canadian, when I was just a private citizen. A few years ago, as I recall, the previous government announced an income-splitting policy that had not yet been approved by Parliament, and it therefore wasn't official government policy. We know that they got into some trouble with the jobs grant, which had not yet been negotiated with provincial governments and employers. I think the ASC slapped them down a little bit, because there were some complaints over there.

I understand the new policy, but in terms of the previous policy, how was it that governments could advertise something that wasn't approved by Parliament? How could they get that approval?

Ms. Louise Baird: I'm very good at answering questions about the new policy, or I think I am. I think in all the research and all the work we did, and in our investigations of what was happening in other jurisdictions, provincially and internationally, we saw that as a bit of a gap. That's why we put it in this new policy. I can't really speak to why it wasn't there before, but we did recognize it as something important. That's why we have it in the new policy.

Mr. Francis Drouin: Okay.

With the new policy, does "approved by Parliament" mean that royal assent has to be received before you can commence advertising on a particular issue?

Mr. Marc Saint-Pierre: Yes. If a campaign that comes in doesn't meet the criteria, we will withhold the ADV number, which is the buying power. We will not authorize that department to go ahead. We will go back to Treasury Board. You cannot announce something and say it's subject to government approval. That's not possible today.

Mr. Francis Drouin: Okay.

The other issue is around the trade agreements that require ratification. Explain this to me. So we have to pass the law in Canada, in Parliament again. I'm just trying to understand this. If it's ratified, it has to be ratified through Parliament. It's not a secret that we're embarking on NAFTA negotiations. If the government of the day signs a deal through NAFTA, then until it's been ratified officially in Parliament, we cannot advertise to the Canadian public to tell them how great it is or how terrible it is.

Ms. Louise Baird: That's correct.

Mr. Francis Drouin: Okay.

With regard to the third party oversight, the advertising standards council does that. What process do you guys go through?

• (1005)

[*Translation*]

Mr. Saint-Pierre, you explained it a bit.

Mr. Marc Saint-Pierre: Departments contact us to tell us that they have obtained approval to run an ad campaign, that they have hired an advertising firm, that they have developed a creative concept for that ad, and they tell us whether the ad will run on television or the Internet.

There is a form they must fill out on the Treasury Board's website. As a first step, that form informs us of the initial creative concept. We complete our part of the form and submit everything to Advertising Standards Canada, or ASC, which gives us input on the preliminary creative concept, indicating that it meets all the criteria. So that is a non-partisan opinion.

Afterwards, departments continue to work with their advertising firm, they submit the final creative concept and all the required documents in both official languages. They submit all that to us, and we in turn submit it to ASC. As for the contract, ASC must decide whether the product is compliant within a three-day period. I must commend the organization because it usually makes that decision within one working day. If we don't get a green light from ASC, the campaign will not go ahead.

Of course, people from Ms. Mitchell's team also communicate with departments.

We are learning new things from one campaign to the next, so we are trying to plan better in order to be able tell departments what seems acceptable to us based on our experience. However, if we do not get final approval from ASC, in both official languages, when it comes to the final creative concept, the campaign cannot go ahead.

[*English*]

The Chair: Thank you very much.

We'll have a very brief three-minute intervention by Mr. Weir. Then we'll go back to our full seven-minute round of questioning.

Go ahead, Mr. Weir.

Mr. Erin Weir: Thank you.

I'd like to return to the non-partisanship criteria. The third one states, "The primary colour associated with the governing party cannot be used in a dominant way, unless an item is commonly depicted in that colour." Of course, the maple leaf in the Government of Canada logo is depicted in red, the same colour that the Liberal Party uses.

Do you see that being a problem?

Ms. Louise Baird: No, in fact the example you give is one of the exceptions. The Canadian flag, of course, is red. We're not going to change it to purple. Another good example that we've seen a few times is the uniform of the RCMP, which is red. Again we wouldn't change that in an ad campaign that the RCMP would be doing.

Mr. Erin Weir: Doesn't this pose a bit of a challenge if one political party has managed to have the same colour as many national symbols or, perhaps by being the governing party, has managed to cause many national symbols to be the same colour as the party's?

Ms. Louise Baird: I think people know and understand that the flag is red and that the RCMP uniforms are red. That's the reality. I can't really speak to that being the colour of the governing party. I don't think we would change those specific... We wouldn't change our flag colour in an ad, because that's not just what the reality is.

Mr. Erin Weir: Yes, it just seems that we have a situation where it is relatively easy to question, say, a Conservative government putting everything in blue, whereas there's really no way of questioning a Liberal government doing the same thing because—

Ms. Louise Baird: I can tell you that there have been a couple of ads that were submitted to the ASC where the dominant use of red has been questioned and has been modified. I would say that the process is actually working. We have a few examples of that.

Mr. Erin Weir: Can you tell us more about those examples or how many times it happened?

Ms. Louise Baird: Sure. There have been four cases to date where, during that initial phase that Marc talked about, where we're looking at sort of early creative, during those concepts, for example, there was one case of a red text box with no necessity for the text box to be red. It's not the colour that a text box has to be. In that case the department realized that and changed it to a different colour.

• (1010)

Ms. Christiane Fox: Sometimes it's things like a red parka versus changing it to a black parka.

As the creatives are done, we take a look at them. They're submitted. Through the ASC's kind of evaluation against the criteria we have seen a few examples, but they're small and they're modified. Then they move forward. As you noted, the Canadian flag is something that we think about, as you said, the colour red, but it is the flag. The balance of the ads have to meet every single criterion that is in that definition.

The Chair: Thank you very much.

Now we're going to our final seven-minute round of interventions.

Madam Shanahan, we'll start with you, please.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Actually, I'll give the first three minutes to my colleague, Ramez.

[Translation]

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Thank you, Ms. Shanahan.

I want to thank all of you.

We have talked about many things, but I wanted to get some information. I used to work in the municipal sector, and the information I provide now as an MP really consists of advertising on programs intended for such organizations.

Is there a more organizational, more goal-oriented communication plan for programs that are, ultimately, intended for a select target audience? It's not enough to just announce good news or general investments.

Ms. Christiane Fox: Absolutely. There are different reasons to advertise. One of them may be recruitment or the promotion of tourism. Most of the advertising is there to ensure that Canadians are aware of programs and services provided by the Government of Canada, and that they have the information they need to apply for grants, and so on.

We encourage departments to set targets for their key programs—public targets. In the context you are talking about, municipalities could perhaps...

Mr. Ramez Ayoub: Let's take for example a program like new horizons, which specifically targets seniors and whose timeline is fairly short. The deadline for presenting a project is fast approaching.

I have been an MP for a year and a half, almost two years. I worked at the municipal level before that, and we were not very well informed of those types of programs. I am talking about the opposition's concern over informing people of the message.

The RCMP's general recruitment message is easy to understand. The same thing goes for Canada Summer Jobs. We, the members, are trying to tell our organizations as much as possible about programs. That is a concern.

Do you have the mandate to target certain audiences in particular?

Ms. Christiane Fox: Absolutely. We have that mandate, and department representatives talk to us, tell us that they have a very targeted program that they would like to advertise.

Another change that has been made is to allow departments that want to purchase advertising for less than \$25,000 to do so directly. That helps them target, as you said, a very specific publication or tool. However, the reality is that the information is not disseminated only through advertising. Departments must also educate key stakeholders. Advertising is complementary to other activities.

Mr. Ramez Ayoub: Thank you.

I will yield the floor to my colleague.

[English]

Mrs. Brenda Shanahan: In fact, I would like to continue on the same line of questioning but with a different population group.

For a program like the Canada learning bond, for example, the last time I looked at figures was when I was working as a social worker, about six or seven years ago, and the uptake then was nominal, 20% or so. That's the kind of program for which conventional media was clearly not reaching the target audience, and I can see where social media would actually do a lot better.

Can you talk to me about how you would address an audience like that? What kind of testing would we be doing to make sure that we're reaching those folks?

Ms. Christiane Fox: I think that goes to the point of the overall communications coordination of your entire campaign. If you're a department working on the Canada learning bond, it's a very specific target audience you're trying to reach. I would say that not in all circumstances would you necessarily get government funding in any given year, but you have to take a look at all of your activities.

What we're noticing is, as you noted, advertising is one way, and it's not always the only way or even always successful. We have had campaigns where we did not reach the people we needed to reach. It has to be complementary to other activities.

Social media is a tool that departments are using more and more in these types of campaigns. Direct intervention is often required when you're in remote communities. It's not just about telling people about a particular program; it's about educating them on how they can get involved and what they need to do to benefit from it. An ad won't necessarily do that.

Our advice to departments is actually to take a look holistically at their engagement stakeholder strategy. What is their advertising strategy if they do have funding in that particular year? What is their communications outreach to these specialized communities? It's really about identifying that target audience and using everything in their tool box to be able to support that community or support that group to raise awareness.

I would say it's not a simple answer, but it's actually a more holistic view of how to communicate with key interlocutors.

• (1015)

Mrs. Brenda Shanahan: Terrific. I would like to address a completely different topic, if I have a moment.

On the colours, I do remember in a previous life working in a corporate setting where it was a big deal for us what our colour code number was. That had to be consistent over all departments.

I take it that there are many reds. There are many greens. There must be numbers attached to them, and the use of different colours is very specific.

Ms. Louise Baird: Yes, that's correct. You probably know because you're talking about it that there are RGB numbers for specific colours that are slightly different shades from other colours. On our website, we have specific colours we use because they are better for digital presentation versus print, and we use specific colour palettes.

I would say, though, that to the average Canadian, some of that distinction is lost. That's why, for red, in terms of what we're looking at currently as the colour of the governing party, its dominant use, we

don't talk about a specific RGB number of red. We do talk about red quite generally.

The Chair: Thank you very much.

Mr. McCauley, you have seven minutes, please.

Mr. Kelly McCauley: I just want to get back to the effectiveness of Facebook advertising. Who can view the analytics, the results of the Facebook and social media advertising? Who has access to that? Is it solely the government? Does the exempt staff have access to it? Is it "ATIP-able"?

Ms. Christiane Fox: Yes, it is "ATIP-able".

Go ahead.

Mr. Stéphane Lévesque: We collect that information. It's anonymous. They are just general numbers.

Mr. Kelly McCauley: Does the exempt staff have access to it?

Mr. Stéphane Lévesque: Yes. We share it with exempt staff if they wish to know what the performance of a specific ad is.

Mr. Kelly McCauley: Do you see why exempt staff would be looking at that when it should be at a very long arm's length from political people to government?

Mr. Stéphane Lévesque: We provide advice to the PMO on some of the advertising adjustments and where to best place advertisements.

Mr. Kelly McCauley: Do you see any issue in this, because it should be a non-partisan advertisement?

Ms. Christiane Fox: We should be clear that this is about click-through rates. We put out an ad. How many times was it shared through Twitter? It was shared 12,000 times or two million times. Click-through is the type of data analytics we're sharing through Facebook.

Mr. Kelly McCauley: Twitter is not paid advertising.

Ms. Christiane Fox: Sorry, I'm just talking about.... It can be.

Mr. Kelly McCauley: Are you using that?

Ms. Christiane Fox: Yes, through digital.

Mr. Kelly McCauley: Are you sharing it or are they coming to look for it?

Ms. Christiane Fox: No, we're never— What we....

Mr. Kelly McCauley: Sorry, Mr. Lévesque just said it is being shared with....

Ms. Christiane Fox: We share, absolutely, the metrics of successful campaigns as part of the overview.

Mr. Kelly McCauley: But you just said it's not shared, and you just said it was shared.

Ms. Christiane Fox: I didn't say it wasn't shared.

Mr. Kelly McCauley: You just did.

Ms. Christiane Fox: We share the data on the click-through rates and the data on the advertising activity. As part of a campaign overview, we would share. If it's also requested by an access to information request, we would also share that. If we got a media call that asked us what the data was on that campaign, we would provide that data.

Mr. Kelly McCauley: Is it published anywhere?

• (1020)

Ms. Christiane Fox: I don't think the results are published. ACETs, yes, a million-plus are published.

Mr. Kelly McCauley: Do we do oversight on government websites as well to ensure non-partisanship? I realize it's not advertising, but we are paying for these websites.

Ms. Christiane Fox: Absolutely.

All Government of Canada activities, whether web presence, a news release, or a social media shareable, apply by non-partisan communications standards, so we would have oversight over all the activities to make sure they are respecting the communications policy of the Government of Canada.

Mr. Kelly McCauley: So...no excessive use of red, blue, or orange on websites.

Ms. Christiane Fox: On the government websites, all communication would have to adhere to the colour requirements for the communications policy.

Mr. Kelly McCauley: Yes, that's what I was asking.

Ladies with Advertising Standards Canada, you may have mentioned this, and I'm sorry that I may have missed it. We are having a review of spending over \$500,000 in campaigns. Have you done reviews on government spending in smaller campaigns?

Ms. Louise Baird: Sorry, I don't think you were aware of it earlier, but two campaigns were submitted for ASC review that fell below the \$500,000 threshold.

Mr. Kelly McCauley: Was it because they were just marginally below \$500,000, or we thought maybe it was a marginal? Why did we submit?

Ms. Louise Baird: Any department voluntarily can submit if they want to go through that process.

Mr. Kelly McCauley: Okay.

Ladies, is \$500,000 the right level we should be looking at? Should we lower it or increase it?

Ms. Janet Feasby: We wouldn't know. That's something you'd have to ask Treasury Board.

Mr. Kelly McCauley: I'm asking for your professional opinion. Should we be looking at all ads or all advertising campaigns for oversight?

Ms. Janet Feasby: That's not something we can have an opinion on.

Mr. Kelly McCauley: Okay. Fair enough.

Ms. Janet Feasby: We review the advertising they send us.

Mr. Kelly McCauley: Okay.

The Chair: Mr. McCauley, you have five seconds left.

Mr. Kelly McCauley: Do you think \$500,000 is appropriate?

Mrs. Louise Baird: As we were developing the process, we did look at that threshold. Looking back over three years, about 90% of government ad campaigns were over the \$500,000 on average. In the PSPC material a major campaign is defined as above \$500,000, so that was why we chose that threshold.

Mr. Kelly McCauley: Thank you.

The Chair: I misinformed you, Mr. McCauley. It is a seven-minute round, so you do have time left.

Mr. Kelly McCauley: Thank you.

Who decided on the \$500,000 limit? Was it PSPC or was it a directive? Is that still valid? I notice we are pushing so much more to Facebook, and Facebook is very inexpensive. Quite frankly we could be pushing a large amount under the \$500,000 limit and therefore not be scrutinized.

Ms. Louise Baird: I gave you the stats for the previous three years. For this year, or last year that just wrapped up, we don't have the final numbers, but it was tracking about the same. Because we have to have quite a broad reach in our campaign, we have to use multiple tools, and because the ad campaign is the total of all the placements, it includes radio, TV, and some of the traditional ones, which cost a little bit more. We find that the vast majority get captured through ASC.

Mr. Kelly McCauley: As a ballpark estimate, how many campaigns are below the 500, and how many are above, as a percentage?

Ms. Louise Baird: Do you mean numbers or dollar value?

Mr. Kelly McCauley: I mean the number of campaigns that are below the 500 as a percentage.

Ms. Louise Baird: The number of campaigns that were not reviewed this past year is around 50. We don't have the final numbers.

Mr. Kelly McCauley: So it's about half.

Ms. Louise Baird: No, it's 50 campaigns. As a percentage, less than 20% were not reviewed.

Mr. Kelly McCauley: I want to stick with the Facebook bit. How are we deciding what gets broken up into traditional Canadian-owned media versus Facebook? Is that being decided by the ad campaign managers? Is there any direction from the government on how much should stay here?

Ms. Louise Baird: I think Chris touched on it a little bit.

The Chair: I think because of the essence of time we'll have to ask you to answer Mr. McCauley's question in written form.

Mr. Kelly McCauley: Are you sure I'm out of time?

The Chair: I'm positive this time. I double-checked. I made my list and checked it twice.

Mr. Weir, for seven minutes.

•(1025)

Mr. Erin Weir: Thank you.

I would like to pick up on this issue of the \$500,000 threshold. If only 20% of government advertising campaigns fall below that threshold and are not being reviewed, why not just review all of them?

Ms. Louise Baird: In working on the process, we wanted to find a really good balance between having the third party oversight on as many as possible and taking into consideration cost, volume, and work. We thought the \$500,000 was a good level since it is sort of the definition of “major” and it captures the vast majority.

Some of the lower-dollar campaigns include the digital ones because those are less expensive ways to advertise. Often they have multiple creatives because they're different sizes and have many different placements, so the volume is actually quite high for a similar creative. We thought that was a really good balance for catching the vast majority and the major campaigns that were probably the most “out there” and prevalent in society.

Ms. Christiane Fox: To add to that point, a lot of public notices are issued for specific, targeted.... If all of them had to go through the ASC, there might be a time delay that would not necessarily be required for a very localized public notice. That was part of the consideration as well.

Mr. Erin Weir: Would those public notices be included in the 20%?

Ms. Christiane Fox: Yes.

Mr. Erin Weir: I would have thought the reason for the threshold was that there were too many small campaigns that weren't really worth reviewing. But if it's only 20%, I wonder if it might make sense to review everything and avoid the potential pitfall of a department or an agency doing a campaign for \$490,000 to avoid the review. Is that an issue?

Ms. Louise Baird: Because a lot of them are public notices and some are digital only, with less reach or less prominence in the market, we felt it was a good number. That was really what we based it on, as well as past trends.

Mr. Marc Saint-Pierre: Two years ago, we usually had between \$4 million and \$5 million in public notices every year. Most of them were under \$2,000. It's not a big amount but it makes for a lot of material that would have to be reviewed. Public Works, for example, puts out a notice that a bridge is going to be closed, or Health Canada is looking for nurses in the north and they post a few public notices. It's a small amount but the volume is quite high.

Mr. Erin Weir: Okay.

I want to bring up an example where I feel that the Government of Canada did an insufficient amount of advertising. The disability tax credit was not very well publicized by the former Conservative government, and it isn't being very well publicized by the current government. As a result, we now have a whole industry of consultants advertising this program to seniors and then charging them quite a hefty commission for helping them access the benefit. If the Government of Canada had properly promoted it, people wouldn't need to go through these consultants and wouldn't need to pay their fees. I wonder if a criterion that could be used in

evaluating government advertising might be the presence of these consultants doing private advertising of government services.

Ms. Christiane Fox: Your point is noted. I think the CRA does have campaigns about tax credits more broadly. I've written down your comments, so thank you for that.

Mr. Erin Weir: Is that something the government looks at in deciding where it makes sense to advertise, if some private entity is spending its own money to publicize a government program and charging fees to access it? To me that would be a fairly good indication that there's a lack of objective public information out there.

Ms. Christiane Fox: Yes, it probably would come down to departments when they make their requests. I can't speak for all departments on that particular point about private spending, about professionals outside the government doing some of their own activities, and whether or not that factors in. They factor in a number of considerations, and I would think that in certain departments that probably would be one—perhaps Immigration, CRA. I'll take that back and I'll take a look and see.

•(1030)

Mr. Erin Weir: Okay. Thanks very much.

There's been some controversy recently about different government ministers spending a fair bit of money on photographers, producing content for social media. My sense is that wouldn't fit the current definition of “advertising”, but I'm wondering if it should or if it should be regulated in some other way.

Ms. Louise Baird: I would just go back to the way we define “advertising” in terms of purchased promotion in a media outlet. That's what we use as our definition.

I'm probably repeating myself a little bit, but ministers are the principal spokespersons, so certainly they're very eligible to go out and promote the work of their departments.

Mr. Erin Weir: For sure, but is this perhaps another example of where digital advertising blurs the lines a bit between paid advertising and government communications?

Ms. Louise Baird: I feel we have a clear definition, and that's how we apply it and departments must apply that rule and adhere to that definition. In media and communications, digital is influencing communications greatly and is changing all the time, so we'll continue to monitor that.

Mr. Erin Weir: Are there any other areas that you think should be included in this government advertising regime, or do you think the current definition really is accurate and the best possible?

The Chair: A very brief response if you could, please.

Ms. Louise Baird: We've only been out for a year, so we want to let the process run for a little bit. We're very much looking forward to the AG's audit of the process to see if it's sufficient. We do intend to bring forward legislation to make it a permanent solution to have third party oversight, so if there are any inputs through some of those avenues, we would consider those as we draft legislation.

The Chair: Thank you very much.

Our final intervention will be from Mr. Ayoub and Madam Shanahan. You can split seven minutes any way you see fit.

Mr. Ramez Ayoub: You can start. Go ahead.

Mrs. Brenda Shanahan: I want to continue on this, because I am very interested.

Thank you so much for your testimony this morning, all of you, because it's really clarified in our minds what is a very blurry field in communications: the distinction between paid advertising, government communications, information, and education.

To continue on the subject that Mr. Weir brought up about the disability tax credit, that's an excellent example of what you were speaking about, Ms. Fox, that there need to be complementary channels. Certainly, I think that paid advertising, well placed, is critical to bringing people's attention to a program that exists, and it's something the private sector knows how to do very well. As members of the government and public service we want to get the program out and into the right hands, and it behooves us to do that.

I would like to suggest something specific to that if I can help with your considerations. As a social worker I was working in a medical environment. I was dismayed to see how little medical and social service professionals knew about income support programs that could greatly help their patients. There's another channel: specialized targeted advertising to professionals working in those fields, that would be complementary. I can think of a whole host of programs, like the Canada learning bond which I spoke about earlier.

In getting back to the matter at hand, I would ask the ASC, how many ads have you rejected out of hand? I don't recall if that question was asked.

Ms. Janet Feasby: The initial—

Mrs. Brenda Shanahan: I guess the graphics would have been submitted for your review. How many, would you say?

Ms. Janet Feasby: There are two reviews. One is at the initial stage. We get proposed ads, which may be in storyboard form or digital, and we review them. I believe there were four that we had issues with at the initial stage. They were corrected and submitted for final review, and they met the criteria.

Mrs. Brenda Shanahan: Is that four out of the 1,800 that have been submitted to you thus far?

• (1035)

Ms. Janet Feasby: Yes.

Mrs. Brenda Shanahan: All right, so people are getting the message.

Thank you.

[*Translation*]

Mr. Ramez Ayoub: I will continue on the point I started.

Earlier, we talked about the idea of informing people about programs through targeted communication activities. We talked about deciding whether to use internal resources or advertising agencies. How do you view your role?

You have surely thought about that at some point. You have made recommendations and suggestions over the years, regardless of the

government in place. You told yourself that it was worthwhile to use internal resources or that it was rather worthwhile to use external expertise, as it may provide a more targeted service.

To an extent, can't savings be made by using internal expertise? What is your opinion on that?

Ms. Christiane Fox: That is an excellent question. Clearly, any manager of an organization that is involved in communications has an interest in their team being able to explore their creative side and take action.

It should be noted that not all departments have the same capacities. Very small departments have very small communications units and may turn to private agencies. Sometimes, in the case of large advertising campaigns, it is better to use a firm outside the government to get advice.

We also try to use the creativity of our own employees. Sometimes, we will try to work with other departments. If there is talent at Canadian Heritage and an advertising must be produced for Employment and Social Development Canada, there may be some synergy between those two teams where talent and creativity will be used.

Mr. Ramez Ayoub: Has a suggestion been made to bring in outside expertise to be able to do this within government?

Ms. Christiane Fox: I think that internal resources have sometimes been used instead of outside organizations. For a particular campaign, one advertising was done internally and another one externally. It is sometimes complementary and sometimes separate.

I would say that the capacity is not the same everywhere. However, we are increasingly trying to explore.

There are also cases where first drafts are done internally, and then external resources are used. Part of the work is done internally to save some money.

Mr. Ramez Ayoub: You say that the capacity is not the same everywhere. Should we expect it to be evenly distributed? I don't think so.

Ms. Christiane Fox: No, I don't think we would want that to be the case.

Mr. Ramez Ayoub: That would mean centralization.

Ms. Christiane Fox: When it comes to departments, this doesn't really need to be centralized to a point where everyone is in the same place. We can also have something of an expertise network that includes a number of departments that are working together in order to create internal capacity. It is not necessarily everywhere.

Mr. Ramez Ayoub: I have another question, before my time runs out.

We talked about the Auditor General. Has a request been made? I did not understand that part. The request was made and a report was produced. If I understood correctly, the report was produced a long time ago.

Ms. Christiane Fox: I think that a report was produced, but once the new system was implemented, the Auditor General was asked to review the system and send us a report on the assessment of the new system. That has not yet been done. It is up to him, or his office, to decide on the date, the extent of the review and its schedule. It is up to his office to tell us when the review will begin.

Mr. Ramez Ayoub: Okay. Normally, a request is made.

He could have also decided on his own to conduct that review.

Ms. Christiane Fox: He could have decided on his own to do so.

Mr. Ramez Ayoub: The request has been made and you are waiting to see what will happen.

Thank you.

[*English*]

The Chair: Thank you very much.

To all our witnesses, thank you for your appearance here today and for taking the time out of your busy schedules to be with us. Thank you for your testimony.

Should you have any additional information that you feel would be of benefit to this committee, I would ask you to submit it directly to our clerk. I note that there were a few questions that you did not have an opportunity to respond to. I would ask that you direct those responses to our clerk, in written form, for the benefit of our committee.

Thank you once again, ladies and gentlemen. You are excused.

Colleagues, before we adjourn—we'll be in public, and I'm not in camera on this one—I'll just inform you that, with the motion that was carried at our last meeting, the PBO has been invited and has accepted our invitation to appear on Tuesday. We will have a full two-hour meeting with the parliamentary budget officer on Tuesday next week. I have not scheduled any meetings beyond that, because quite frankly, we don't know when we are going to rise. I suspect it will be before next Thursday, which means that next Tuesday would be our final meeting of the session.

Kyle, go ahead.

• (1040)

Mr. Kyle Peterson: I'm just wondering if there's an appetite to not have next Tuesday's meeting at all.

The Chair: We've already extended the invitation. There was a motion to that effect. The PBO has accepted that invitation, so we will be having a meeting next Tuesday, unless, of course—

Mr. Kyle Peterson: [*Inaudible—Editor*]

The Chair: —the government rises, Parliament rises.

Mr. Kelly McCauley: Are we in public?

The Chair: We're in public, Kelly.

Mr. Kelly McCauley: Sorry, I thought we were going in camera.

I understand that between the parties there are discussions about the estimates reform. If the two sides or three sides accept the suggestion that the government has, then I think it's kind of a moot point to have the PBO attend. If the sides do not accept what the government is proposing, then I would propose that we go ahead with the Tuesday meeting. However, if they do accept the proposal on the estimates reform, then Tuesday becomes a moot point, I think.

The Chair: At this point in time, we're not sure.

Mr. Kelly McCauley: So, we should just wait until the end of the day, until we find out.

The Chair: We have a motion that was carried. An invitation was extended and accepted, so at this point in time, we're on for a meeting on Tuesday.

Mr. Kelly McCauley: Right.

We can adjust later, but I'll follow up with the government side.

The Chair: Erin.

Mr. Erin Weir: I was going to say that I'm not so sure it is a moot point. I mean, even if all three major parties agree on something, it's still interesting and worthwhile to hear other voices.

The Chair: There may be questions that colleagues have of the PBO.

Mr. Erin Weir: Yes, exactly. I would even suggest that it might make sense to have that meeting televised. I think there could be quite a bit of public interest in it.

The Chair: Under the norms, particularly in committee rooms such as this, it will be televised.

I'm taking that as a request. We'll certainly see if we can accommodate that.

Mr. Kyle Peterson: Well, I for one would hope to be going back to Newmarket—Aurora next week.

The Chair: I hope you're in Newmarket—Aurora, as well, Kyle—no disrespect.

Ms. Yasmin Ratansi: Mr. Chair, from your previous experience, do you think we're going to stay?

The Chair: My guess, and I've said this for a long time, is that Wednesday at 4:00 p.m. next week is when we would rise. That's my best guess.

Mr. Francis Drouin: I concur.

The Chair: Before everybody came in, Marc was suggesting we should have a pool on when we rise. I said that for the nine years we were in government, I negotiated when we got out of here, so I always won that pool.

Mr. Francis Drouin: We're just waiting for the chair's party.

The Chair: There you go.

Anyway, if there's nothing else for the benefit of the committee...

The meeting is adjourned.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>