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Summative Evaluation of the Canadian Culture Online Strategy (CCOS)

Office of the Chief Audit and Evaluation Executive
Evaluation Services Directorate

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Table of Contents

Executive Summary	i
1. Background and Study Overview	1
1.1 Overview of the Canadian Culture Online Strategy	1
1.2 Purpose and Scope of the Evaluation	10
1.3 Evaluation Issues	11
1.4 Methodology.....	12
1.5 Challenges and Limitations.....	15
2. Evaluation Findings.....	17
2.1 Rationale and Relevance.....	17
2.2 Success/Impacts.....	26
2.3 Cost-Effectiveness/Alternatives	42
2.4 Summary of Findings for CCOS Components.....	54
3. Conclusions, Recommendations and Management Response.....	58
List of Appendices	67
Appendix A. Evaluation Matrix	
Appendix B. List of Key Informants, Researchers and Case Studies	
Appendix C. Data Collection Instruments	
Appendix D. CCOS Websites: Usage and Back links Analysis	
Appendix E. Findings for CCOS Components	
Appendix F. Bibliography	



List of Acronyms

ADM	Assistant Deputy Minister
CAHSP	Canadian Arts and Heritage Sustainability Program
CBC	Canadian Broadcasting Corporation
CCO	Canadian Culture Online
CCOB	Canadian Culture Online Branch
CCOP	Canadian Culture Online Program
CCOS	Canadian Culture Online Strategy
CDCCI	Canadian Digital Cultural Content Initiative
CICCS	Canadian Internet Cultural Content Strategy
CHIN	Canadian Heritage Information Network
CNMF	Canada New Media Fund
CRTC	Canadian Radio-television and Telecommunications Commission
CTF	Canadian Television Fund
DCB	Dictionary of Canadian Biography
DPR	Departmental Performance Report
ESD	Evaluation Services Directorate
EWG	Evaluation Working Group
G&C	Grant and contribution
NAB	National Advisory Board
NMRDI	New Media R&D Initiative
NMRNF	New Media Research Networks Fund
OCAEE	Office of the Chief Audit and Evaluation Executive
PAA	Program Activity Architecture
PCH	Department of Canadian Heritage
POR	Public Opinion Research
R&D	Research and Development
RBAF	Risk-based Audit Framework
RMAF	Results-based Management and Accountability Framework
TBS	Treasury Board Secretariat
TCE	The Canadian Encyclopedia
TST	Tomorrow Starts Today
VMC	Virtual Museum of Canada



Executive Summary

Background

1. The Canadian Culture Online Strategy

The Government of Canada launched the \$340.8 million Canadian Culture Online Strategy (CCOS) in May 2001 with the overriding purpose to ensure that Canadians, and through the world of the Internet, global users, would have access to interactive, digital cultural content in both official languages that is reflective of Canada's diversity. The CCOS is administered by the Department of Canadian Heritage (PCH).

The CCOS has three central objectives:

- Support the creation of digital cultural content that reflects our diversity of cultures and heritage.
- Help to ensure access to that content.
- Facilitate the sustainability of the new media cultural sector.

The CCOS consists of several components (listed below), which include several funding programs that support the creation of online cultural content (websites) by cultural organizations, as well as several PCH-administered websites.

Based on the PCH Program Activity Architecture (PAA), CCOS supports the Strategic Outcome, "Canadians express and share their diverse cultural experience with each other and the world" by supporting improved access to and creation of Canadian cultural content on the Internet.

The CCOS was renewed for the 2006-2007 to 2009-2010 period. As part of the renewal process, the various grant and contribution (G&C) programs were re-aligned under new terms and conditions into three components that correspond to the PCH PAA currently in place:

1. **Access and Content component** – Consolidates terms and conditions of two contribution funds:
 - Partnerships Fund.
 - Gateway Fund.
2. **Research and Development component** – Includes:
 - New Media Research and Development Networks Fund.
 - New Media R & D Initiative.

3. New Media Sector Development component – Includes:

- New Media Sector Development Fund (transferred to Telefilm Canada in 2007-2008).

The non G&C activities of the CCOS that are funded through operating funds are the following:

- Canadian Works of Reference Licensing.
- Canadian Memory Fund.
- Culture.ca and Culturescope.ca portals.
- Virtual Museum of Canada (VMC).

In a separate process, Treasury Board approved the renewal of terms and conditions for the Canada New Media Fund, administered by Telefilm Canada.

Total expenditures of the CCOS from 2001-02 to 2006-07 were \$340.8 million.

Responsibility for the governance, implementation and results of the CCOS lies with the Canadian Culture Online Branch (CCOB), Department of Canadian Heritage. The Branch operates within the Cultural Affairs Sector of PCH. The Canadian Heritage Information Network (CHIN) is responsible for the administration of the VMC, while the eServices Branch administers the Culture.ca and Culturescope.ca portals. Telefilm Canada is responsible for the administration of the Canada New Media Fund, which is not being examined by the present evaluation, as explained below.

2. The Evaluation

Evaluation Services Directorate (ESD) of the Office of the Chief Audit and Evaluation Executive (OCAEE), Department of Canadian Heritage (PCH) was responsible for conducting an Evaluation of the CCOS. The evaluation has two objectives:

- To provide information to the Minister of Canadian Heritage in order to report back to Cabinet by the fall of 2008 on the results of the Department's arts and culture programs.
- The evaluation will also be used at the time of the re-thinking of the program in March 2010.

The evaluation was conducted between October 2007 and July 2008 by Kelly Sears Consulting Group on behalf of Evaluation Services. An Evaluation Working Group guided the conduct of the evaluation. It was chaired by an ESD Project Manager and included representatives from the CCOB and Public Opinion Research (POR). The evaluation was overseen by an Evaluation Steering Committee at the Director General level, which provided overall direction for the evaluation.

The scope of the evaluation included all of the various components and funds that were in existence as of 2006-07, which together accounted for some \$228.8 of the total CCOS expenditures of \$340.8 million from 2001-02 to 2006-07. The main exclusion was the Canada New Media Fund, which was evaluated previously in 2006 and renewed in June 2007 for a two-year period.

This Executive Summary includes the study findings for the individual CCOS components. The evaluation issues and questions that were examined by the evaluation are as follows:

A. Rationale and Relevance

1. Is there a continued role for the federal government in developing content and providing access to it?
2. Is the CCOS strategy still relevant?
3. Is the CCOS aligned with Government priorities?

B. Success and Impacts

4. Has the CCOS met its objectives and its immediate and intermediate outcomes? How well have funded projects aligned with the CCOS objectives?
5. To what extent is progress being made to achieve the CCOS long-term outcome, “Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm?”
6. What have been the unintended impacts and effects (either positive or negative) resulting from the CCOS?
7. Does the CCOS have appropriate performance measurement?
8. How, and to what extent does the CCOS meet the federal government’s commitment under Section 41 of the Official Languages Act to English and French linguistic minority communities in Canada?

C. Cost-Efficiency and Alternative

9. What is the overall cost effectiveness of the CCOS?
10. What is the administrative efficiency of the CCOS?
11. Does the CCOS have clearly defined target groups? Are the target groups being reached and have their needs been met? Who are the users? What is their profile? For what purposes do they use the CCOS?
12. Are the right governance model and delivery mechanisms in place?
13. To what extent does CCOS duplicate or overlap with other programs delivered through other organizations in the public, private or not-for-profit sectors?
14. Is the CCOS the best way for the Government to promote Canadian culture on the web? What are other alternatives?

Methodology and Constraints

Sufficient and appropriate evaluation procedures have been conducted and evidence gathered to support the accuracy of the opinion provided and contained in the report.

The evaluation study carried out the following data collection methods.

1. Key informant interviews

This method consisted of some 45 interviews with representatives of key stakeholder organizations who are knowledgeable about the CCOS, both within and outside of the federal government. The Evaluation Working Group provided a suggested list of key informants. Individuals were selected in order to provide feedback on the many elements the CCOS.

2. Document and literature review

The document and literature review included previous studies commissioned by CCOB that provide information on trends in the results achieved by individual CCOS components, trends in online access to cultural information by Canadians, etc. We also obtained information on comparable programs in other countries.

3. File and database review

The first part of the file review was to extract quantitative and qualitative information from the departmental grants and contribution system on the number, type, and value of the projects financed over the years. A second activity involved a review of a sample of 22 project files (drawn from the various funds). The review focused on assessing the issue of performance measurement and reporting of results to Canadians.

4. Case Studies of CCOS Projects

The purpose of case studies in an evaluation study is to help illustrate and understand the findings obtained by the other data collection methods. A total of six project case studies were carried out, covering four of the CCOS project-based funds (Partnerships Fund, Gateway Fund, VMC Virtual Exhibits Program and New Media Research Networks Fund). Each case study involved reviewing the departmental project file and a telephone interview with a representative of the recipient organization. For the case studies that involved creation of a cultural content websites, the recipient was asked to provide historical data on website traffic.

5. Analysis of website traffic

In order to investigate the success of the CCOS in achieving its objective pertaining to Canadians' access to Canadian cultural content, this analysis involved examining website traffic statistics from the major web sites funded by the various CCOS programs. Similar

data was also obtained for the three websites administered by PCH (Culture.ca, Culturescope.ca and the VMC portal). The objective was to determine the overall traffic volume generated by CCOS-funded sites, as well as the growth and usage patterns in the traffic of sites. This analysis was carried out by the research firm Phase 5.

The analysis was based on existing data collected by the Department for CCOS-funded sites. As part of its agreements with each organization, Content Policy and Programs within the Canadian Culture Online Branch (CCOB) has been requiring funded sites to submit website traffic statistics to the Department. Similarly, CHIN, which manages the VMC Investment Programs, has a similar clause in its contracts with funded recipients.

6. Surveys: Public opinion and CCOS recipients and non-funded applicants

Two surveys were conducted under separate contract by Corporate Research Group on behalf of the POR section in PCH.

a) Survey of public opinion

The survey of public opinion focused on issues pertaining to the rationale for government intervention in supporting the creation of Canadian cultural on-line products. The omnibus telephone survey consisted of nine questions. It yielded a sample of 2,015 completed responses from the target population of the general Canadian public ages 16 and up, including an over-sample of youth (ages 16 to 34).

b) Online survey of recipients and non-funded applicants

The survey involved contacting the census of funding recipients and non-funded applicants. The survey topics covered achievement of project objectives, project incrementality, level of satisfaction with the program delivery process, etc. The survey yielded a total of 344 responses.

7. Interviews with researchers

A combination of personal and telephone interviews were carried out with 12 researchers in the field of culture and digital technology, drawn from the public, private and academic sectors. The group included several of the recipients of funding from the New Media R&D component, since this part of the CCOS was not covered by the key informant interviews.

The main constraints faced by the evaluation were the following:

- The CCOS is a multi-faceted program, with broad, high-level objectives, several components/programs/activities each with its own objectives, multiple recipient groups and multiple beneficiaries. Given the limitations of time and budget, it was not possible to thoroughly investigate all of these aspects of the CCOS.

- Few key informants and case study organizations had an understanding of the overall CCOS. They knew the particular funding program they had interacted with, but had less familiarity with the other parts of the CCOS.
- The challenge of attempting to measure the overall success of the program, as the CCOS does not track a set of key performance indicators.
- Most of the data collection focused on recipients, who tend to have a positive view.
- Based on discussion with the Steering Committee, no information was collected from a primary user group, the educational system (teachers), due to the difficulties that would be encountered in attempting to survey this population.

Findings for the CCOS Components

1. Canadian Memory Fund

An issue concerning the Canadian Memory Fund is that for some federal organizations, the objective of the Fund was not aligned with their needs. In some of the participating agencies, the real need was (and is) for mass digitization, i.e., digitization of records, artifacts and audio-visual materials. It is clear that this Fund led to the creation of online cultural content – as noted in the survey of recipients and non-funded applicants, most of the content would not have been created without financial support via this Fund. A main conclusion regarding the Canadian Memory Fund is that digitization of collections and artifacts continues to be an important goal for the various federal cultural organizations, but that each organization would have preferred to develop its own strategy for achieving this goal.

2. Culture.ca and Culturescope.ca

Overall, there was limited support among key informants for both sites. Culture.ca suffers from the prevailing view mentioned by many key informants that “*portals are passé*.” The number of monthly unique visitors to Culture.ca averaged about 158,000 over the three-year period, and has been stagnant. According to PCH managers, the fact that the two sites could not be fully and consistently promoted by the federal government was a major factor in them not becoming a “destination site.” Due to this, Culture.ca had to re-think its business model early on in its lifecycle. It had to cancel its leveraged investment advertising campaign and quickly adopt search engine optimization and other marketing techniques.

Some key informants questioned why Culturescope.ca was part of the CCOS. Culturescope.ca had a limited targeted audience, which is reflected in the website traffic statistics. However, of all of the CCOS websites, it is the most “sticky,” i.e., visitors spend more time during each visit. Studies commissioned by PCH found that this site had developed loyalty among its targeted audience.

3. Partnerships Fund

As with the Canadian Memory Fund, some recipients disagreed with the approach that required the creation of online exhibits as opposed to digitizing collections and artifacts. Some stated that much work is left to be done to digitize the records, artifacts and audio-visual content housed by Canada's cultural organizations. The views on the success of the Partnerships Fund varied widely among key informants and case study organizations. One key informant who was quite familiar with many of the funded projects noted that the quality of online exhibits varies widely. Traffic to the various sites has grown significantly over the three-year period. An issue with the Partnerships Fund is whether the Fund should be about digitizing existing collections versus creating new cultural content that does not currently exist in any form. A finding of the study is that supporting the development of new cultural content, particularly for Canada's aboriginal and ethno-cultural communities, continues to be an important objective.

4. Gateway Fund

The Gateway Fund provides funding to Aboriginal and ethno-cultural communities to make Canadian cultural content available online.

A key informant who is an expert in aboriginal issues stated that while the objective of the Gateway Fund was important, many Aboriginal organizations would not have the capability to apply to this program. This individual preferred the Partnerships Fund, where other organizations can partner with Aboriginal communities to undertake projects. Some recipients were confused about the differences between the VMC programs, the Gateway Fund and the Partnerships Fund. In fact, one organization that specializes in the study of Aboriginal culture and that had received funding for a project under the Partnerships Fund was not aware of the Gateway Fund, which is specifically devoted to the Aboriginal community.

The website traffic volumes for most of the Gateway Fund websites are very low (see Volume II, Annex D), which reflects their niche content. Most of the sites are not very "sticky" (an average of 3 minutes per visit).

5. Virtual Museum of Canada

In fostering the creation of and accessibility to heritage content, the VMC fulfils objectives related to the Department's Heritage business line as well as the CCOS objectives. The CCOS provides funding to support the VMC portal and the VMC Investment Programs, which in turn consist of two funding programs, the Virtual Exhibits Program and the Community Memories Program. All of these are administered by the Canadian Heritage Information Network (CHIN) within PCH. Overall, most key informants stated that the VMC has played an important leadership role. Back when the CCOS was implemented, museums were confused about the Internet and, indeed, some feared that the advent of online exhibits could negatively affect traffic to the physical museum. Key informants

confirmed that CHIN continues to play an important role in research and training, which assists museums to exploit digital technologies as they continue to evolve.

Turning to the VMC portal, it was generally supported by key informants and has substantial traffic (500,000 monthly unique visitors over the three-year period, and consistent increase in the overall number of visits and repeat visitation). The high visibility of the portal was confirmed by a “backlinks” analysis in which the VMC portal scored 100 per cent (for further details, see Volume II—Annex D).

The Community Memories Program had a particularly high level of support among key informants; as several noted, *“it is a very low cost program but very important to helping small museums get into the digital age, since they do not have any technical resources.”*

6. Canadian Works of Reference Licensing

The Canadian Encyclopedia (TCE) is published by the Historica Foundation and the Dictionary of Canadian Biography (DCB) is jointly owned by the University of Toronto and Université Laval. The DCB website is hosted by Library and Archives Canada (LAC), while the TCE is hosted by the Historica Foundation.

A central aspect of the rationale for both products is that they provide *authoritative* content. For example, in the case of the DCB the biographies are written by scholars (each is paid a small honorarium for each article) and are peer reviewed. While some might argue that these sorts of products are no longer needed given the rapid rise of user generated content on the Internet (e.g., in Wikipedia), the evaluation study found a high level of support for both products. Both have experienced strong and increasing demand: the TCE is one of the highest volume CCOS-funded websites. Another important aspect of the rationale for both products is that they provide a Canadian perspective that often is not available in other sources such as Wikipedia.

Other countries have national biography dictionaries, including the UK, US and New Zealand, which gives credence to the argument that Canada should have its own national reference tools.

A challenge for both sites likely will be to keep up with the rapid technological evolution of the Internet. For example, neither of these products incorporates Web 2.0 features (e.g., tags).

7. Research and Development

The CCOS has had two funding programs under its New Media Research and Development component: New Media Research Networks Fund (NMRNF) and the New Media R&D Initiative (NMRDI).

The NMRNF was introduced first, in 2002. The second fund, the NMRDI, was launched as a pilot in 2006. It was introduced because smaller technology companies were less successful in submitting successful applications to the NMRNF. None of the NMRDI projects has yet been completed. One researcher stated that the design of the NMRDI made sense, as it went beyond the standard research model that focused mainly on academic consortia (such as the Network of Centres of Excellence model). According to one researcher, the quality of proposals to the NMRDI was not as strong compared to the NMRNF; on the other hand, he noted that the Fund had existed only for a short while and that the quality of submissions might have improved over time.

The Department of Canadian Heritage was given high praise for its leadership in ensuring that the CCOS strategy included an innovation component. Researchers noted that previous attempts by the research community to establish a Network of Centres of Excellence had been unsuccessful, as any request for funding for innovation in the cultural field had difficulty competing with other public policy priorities.

The design of the two New Media R&D funds was viewed as unique and created, in effect, a new paradigm for innovation.

Researchers, however, were divided on whether the partnership approach actually made sense. Some commented favourably on the fact that the NMRNF required partnerships among universities and commercial partners, since it led to useful exchanges of information/knowledge. However, others disagreed, stating that, given that they perceived that commercialization was one of the goals, the partnership approach is not appropriate.

Funding recipients all stated that the specific objectives of their funded research projects had been met. Each of the completed NMRNF projects has undergone a technical evaluation by an outside consulting firm, and these reports indicate that the funded projects successfully met most of their objectives.

Turning to the impacts of the funded projects, the evidence is less clear. Several researchers noted that the impacts of the funded research will take many years to be fully realized, which is the nature of R&D; in other words, it is premature to attempt to measure the full impacts of the funded research. A couple of the recipients who had been involved with the NMRNF since the beginning noted that its objectives and target audiences lacked clarity. This came through during the interviews with recipients, in that a clear picture did not emerge of what the two funds were really attempting to accomplish.

The federal government is viewed as having an important role in supporting innovation and in encouraging cultural organizations to adopt new technologies.

Conclusions

The conclusions on each of the evaluation issues and questions are as follows.

Rationale and Relevance

1. Is there a continued role for the federal government in developing content and providing access to it?

Key informants argued that there is more work to be done in digitizing the records/artifacts of cultural organizations. Everyone agreed that it made sense for the CCOS to support cultural organizations to create online cultural content; however, several recipient organizations disagreed with the emphasis of some of the CCOS programs that supported the creation of online exhibits that have contextualization and interpretation. They would have preferred to have more flexibility in the use made of CCOS funds, so that they could have digitized their original records/artifacts. Note that this is a complex subject, due to the wide variety of targeted groups served by the CCOS and the diverse nature of cultural content.

There was also support from key informants for the Government to continue to support the creation of online cultural exhibits, although they suggested that the Government should emphasize the need for funding recipients to expand the use of Web 2.0 and other innovative features in the websites that are supported (as appropriate).

The third aspect of the rationale for the CCOS pertained to the need to create a central gateway to Canadian online cultural content, in order to help Canadians find this information. There was limited support among key informants for Culture.ca, since modern search engines enable searches for Canadian cultural information to be easily done. Stronger support was expressed for the VMC portal.

2. Is the CCOS still relevant?

Key informants did not have a clear view regarding whether an overarching CCOS strategy is still required. However, several ongoing needs were identified. The development of state-of-the-art websites containing high quality cultural content that will engage Canadians is an expensive proposition. Work still needs to be done regarding Aboriginal and ethnocultural content in particular. Cultural organizations still have work to do regarding the digitization of their records/artifacts. PCH was viewed as having an important role in resolving certain copyright and rights management issues.

3. Is the CCOS aligned with Government priorities?

The CCOS is formally situated within the Department's Program Activity Architecture, and is linked to the following strategic outcome: "Canadian artistic expressions and cultural content are created and accessible at home and abroad."

While some of the CCOS funds/activities have achieved their goals, certain aspects of the CCOS, including its support for Canada's new media sector, continue to be important goals for the Government. The objectives of the CCOS are also consistent with the priority of the Government regarding support for official languages.

Success and Impacts

4. Has the CCOS met its objectives and its immediate and intermediate outcomes?

The CCOS had three central objectives: creation of online cultural content; providing access to that content; and supporting the development of Canada's new media industry. Over the 2001-02 to 2006-07 timeframe, the CCOS supported the creation of an enormous amount of online Canadian culture content. A total of 1,201 projects were funded, at a total cost of \$130.6 million. The evaluation concludes that the CCOS has been highly incremental: in the absence of the CCOS, there likely would be much less Canadian cultural content available online today. Over the three-year period 2004-05 to 2006-07, increasing numbers of visitors¹ accessed the many CCOS-funded websites, reaching roughly 1.6 million monthly unique visitors in 2006-07. The CCOS-funded websites with the largest traffic include the VMC portal, the Canadian Encyclopedia and the CBC Digital Archives. Finally, a previous evaluation of the Canada New Media Fund concluded that the funding received by companies over the years has been important to the success of these companies and to the sector as a whole.

5. To what extent is progress being made to achieve the CCOS long-term outcome?

The CCOS as a whole does not compile and report comprehensive, uniform data on the numbers of Canadians visiting its funded websites (including the departmental websites such as Culture.ca and the VMC portal as well as the thousand-plus external websites created by the various CCOS programs). However, it has compiled and analyzed quantitative and qualitative data on its own sites (i.e., Culture.ca, Culturescope.ca and the VMC portal), which includes visitor pattern analytic studies.

Based on an analysis of departmental statistics and the website traffic reports submitted by recipients to PCH, it appears that the CCOS has made progress towards achieving its longer-term outcome: "Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm." In 2006-07, roughly 1.6 million unique visitors accessed these websites on a monthly basis, and the traffic has increased over the years.

¹ In order to assess the level of use being made of the many CCOS-funded websites, the evaluation used the metric "number of monthly unique visitors" to a website. "Unique visitors" is an international standard for measuring audience reach.

6. What have been the unintended impacts and effects (either positive or negative) resulting from the CCOS?

The CCOS has had a variety of unintended impacts – both positive and negative. Recipient organizations noted several positive impacts as a result of carrying out their CCOS projects: 1) the formation of new partnerships and networks; 2) organizational capacity-building; 3) increased participation of various types of communities (local but also ethnocultural, linguistic, school and university-based, etc.); and, 4) increased outreach. Some of the negative impacts were that partnerships could be difficult to establish and maintain; the technical standards required by the Department had seemingly inhibited the development of innovative websites in some cases; and, the limitations on the length of projects meant that insufficient website marketing and promotion could be undertaken.

7. Does the CCOS have appropriate performance measurement?

Little results-based performance information is available for the CCOS as a whole, as a regular performance report is not prepared. A pertinent indicator would be the number of Canadians who access the various CCOS-funded cultural content websites each month. Although funding recipients are supposed to provide regular reports on website traffic, few recipients are doing so on a regular basis, and the Department has no way of ensuring compliance. The websites administered by PCH (including Culture.ca, Culturescope.ca and the VMC portal) did provide performance data as part of their reporting to CCOS. Going forward, an alternative, more effective approach would be for recipients to use a common measurement tool (this would involve installing web analytic software on all funded websites), which the Department would access after the funding has ended, thereby enabling regular performance reports to be prepared and published. The Department's eServices Branch has also done substantial work in web traffic analysis and comparisons at the departmental and international levels.

In developing its performance measurement strategy, the Department would need to consider website traffic as well as other pertinent performance indicators, such as user satisfaction, extent of repeat visits, visitor duration, etc.

8. How, and to what extent does the CCOS meet the federal government's commitment under Section 41 of the *Official Languages Act*?

The CCOS has played an important role in contributing to the Department's commitments under the *Official Languages Act*. The CCOS has definitely contributed to an increased availability of French-language online cultural content. In 2007-08, the CCOS supported some 92 projects that were either French-language content only or in both official languages, and 10 of these projects were developed by organizations representing official language minority groups. The Culture.ca and VMC portals also participated in this commitment, by promoting French, English and bilingual websites through different features. The Department noted that this efforts have been highlighted by the Commissioner of Official Languages.

Cost-Effectiveness and Alternatives

9. What is the overall cost effectiveness of the CCOS?

One measure of cost effectiveness is the ratio of the Government's investment in the funded websites to the audience reach of these websites, measured by the number of monthly unique visitors. Over the three-year period examined, increasing numbers have visited the CCOS-funded websites, reaching a rough estimate of 1.6 million monthly visitors in 2006-07. One indicator of cost effectiveness is "cost per visitor," which is the ratio of the costs per month incurred in developing/maintaining the CCOS websites to the audience reach (monthly unique visitors). The website with the lowest cost per visitor (\$0.22) is the Canadian Encyclopedia followed by the VMC (\$1.20).

10. What is the administrative efficiency of the CCOS?

Over the history of the CCOS, the administrative cost ratio has been 6.4 per cent, which compares favourably with other PCH programs that administer project-based funding.

11. Are the needs of target groups and users being met?

This issue included three questions: 1) Does the CCOS have clearly defined target groups?; 2) Are the targeted groups being reached and are their needs being met?; and, 3) Who are the users, what is their profile and for what purposes do they use the CCOS?

The CCOS has a broad range of ultimate beneficiaries, including the Canadian public, youth, life-long learners and the Canadian educational community.

PCH was not able to breakdown the funding provided to the various targeted groups, which prevents an analysis of the extent to which each group is being reached by the program.

Overall, funding recipients are highly satisfied with their interaction with the CCOS.

Little information is available on whether the needs of users/beneficiaries are being met. It is difficult to assess whether the many CCOS-funded external websites are being used in the educational system to help Canadian school children to learn about Canada's culture, history and heritage. As noted in the methodology and constraints section, it was not possible to conduct a survey of the education system (to determine, for example, the percentage of history teachers at the primary and secondary level who use specific CCOS-funded websites). Thus a full examination of this issue would require further research.

12. Are the right governance model and delivery mechanisms in place?

Overall, stakeholders do not see the CCOS as operating as an integrated strategy but rather as comprising several funding programs that are isolated from each other. It is difficult for stakeholders to grasp the overall strategy; indeed, the "CCOS" acronym is not well known outside of the Department. Confusion exists regarding the various funding programs that

fund the creation of online exhibits. While there are some elements of good governance operating in the individual funding programs (e.g., peer review committees that review submitted applications; CHIN/VMC has well respected stakeholder consultation mechanisms; both Culture.ca and Culturescope.ca instituted advisory bodies), the CCOS lacks an overall strategic advisory committee, a performance measurement system and other practices that typically constitute good governance.

13. Does the CCOS overlap/duplicate other programs?

There was consensus among key informants and case study organizations that there are no overlap/duplication issues, since there are very few other programs at either the federal, provincial or municipal levels that support the digitization of Canadian cultural content or R&D on new technologies to support cultural institutions and the new media sector.

14. Are there alternatives to the CCOS?

Given that a significant portion of the overall CCOS funding has been devoted to the creation of cultural content websites that contain educational material, the alternative of devolving these CCOS programs to the provinces was discussed in some of the key informant interviews. However, not a single key informant was in favour of this approach.

Regarding the digitization objective of the CCOS, some cultural organizations suggested that infrastructure funding (i.e., providing funding to organizations to undertake a variety of initiatives to help build organizational capacity) might be a more cost-effective alternative, and other countries are taking this approach.

Research on the approaches taken by other countries reveal that other countries have developed a national “digital” policy, where support for cultural content creation is one of several strategies that include other national goals, including support for the creative economy and simplification of copyright issues.

Regarding the access objective, interviews with informants and researchers raised the question of whether Canada should establish a new cultural portal, perhaps in partnership with or even led by a non-government organization. This option would require further research.

Recommendations and Management Response

1. The Department should determine the possible elements of a re-defined strategy in support of Canadian digital culture in a multi-platform environment.

The Department should consult with the Canadian cultural community to identify the possible elements of a new strategy for government intervention in support of digital culture in the context of the internet and other emerging delivery platforms. This would

involve assessing the needs of the various client communities and users and re-defining the Government's objectives, support programs, etc.

During the course of this evaluation study, a number of themes emerged that should be further examined as part of developing a possible new strategy. For example, while the CCOS has assisted many cultural organizations to create online exhibits and virtual collections, several noted that work remains to digitize their records and artifacts. There are also several copyright issues affecting the creation of online content. The need to digitize Canada's textual, image, audio and audio-visual heritage is a theme of the Library and Archives "*Canadian Digital Information Strategy*" consultation document issued in October 2007. The Strategy has several other elements, including the supporting the growth of digital content production.

One element of the original CCOS strategy that requires further study is the extent to which the objective of helping young Canadians to learn about Canada's culture and heritage is being fulfilled. Several of the funding programs supported customizing content to make it as useful as possible to educators. However, little information is available on whether the many CCOS-funded cultural websites created by cultural organizations other than the department are actually being used in the school system (the Department has evidence that Culture.ca and the VMC portal are being used in the educational system). The original CCOS approach was basically that "*if we build good content, they will come.*" Recipients pointed out that no resources are provided for marketing of their websites to teachers, for example. And there are barriers to getting web-based content integrated into classroom lesson plans. Further research is required on this issue. The Department should decide whether the educational objective is still appropriate; if it is, then the Department needs to develop the appropriate approach to meeting this goal.

In terms of re-defining possible funding programs to support the creation of online Canadian cultural content, several suggestions emerged during the evaluation and should be considered as part of developing the future strategy. For example, it was suggested that support should be provided to truly innovative websites that will encourage use by Canadians, involving the use of Web 2.0 and other innovative tools as appropriate. Supporting the creation of new cultural content also should be encouraged. A continued emphasis on French-language, Aboriginal and ethnocultural content seems to be warranted. Consideration should be given to focusing support on content areas of national significance and where there are currently gaps in coverage. Support needs to be provided for marketing and promotion of online cultural content. Multi-year projects would be more appropriate, given the complexities involved in developing successful websites.

Regarding the original access objective of the CCOS, Canadians now have access to powerful search engines to find online cultural information. Other countries, however, have developed successful cultural portals that vary in terms of their purpose and objectives. As part of re-defining the federal strategy, the Department should assess whether a new portal should be supported, perhaps in partnership with, or even led by a non-governmental organization. This would also involve determining the particular policy objective(s) that are being supported, i.e., solely cultural, e.g., learning about Canada's culture and history,

versus commercial, e.g., promoting cultural tourism. Given this sort of portal would require the use of Web 2.0 features and other innovative technologies, the costs would not be insignificant.

Another theme is that cultural organizations are not sure of the implications of emerging technologies, trends and consumer behaviours for their organizational websites, and believe it is important for PCH to be able to advise organizations on how to implement such features. Some cultural organizations also need help in using modern web analytics software and search engine optimization methods so that their cultural collections can be readily found when Canadians do Google searches. The Department should determine its role in responding to these needs.

Management Response: Accepted

The CCOS was an appropriate strategy in 2001 when the Government was articulating a cohesive public policy approach to the emergence of new media in cultural institutions and the industry. In the current environment, where cultural institutions and every sector of the cultural industries have been affected by the Internet and interactive media, new approaches may be required.

The Department will build on the success of elements of the CCOS, such as the Virtual Museum of Canada, the Partnerships Fund and Gateway Fund and will continue to support high-quality content, taking into account the appropriate technology and governance to achieve the objectives associated with different categories of content. To the extent possible, content and features of Culture.ca and Culturescope.ca will be integrated into the Department's Web presence by 2010 as part of its Web Transformation Strategy.

The Department will evaluate possible approaches to support the creation, accessibility and promotion of interactive cultural content. Issues to be considered could include:

- Federal objectives in the context of a multiplatform environment;
- Target clientele and audiences and their needs;
- The role and nature of digitized collections;
- The role and nature of interpretive content;
- The role of user-generated content;
- Evolving technologies;
- Effective strategies to reach target audiences, including the role of portals, marketing and search engine optimization;
- Strategies to enhance the expertise of cultural organizations with respect to new technologies;
- Appropriate program design to achieve federal objectives in an effective and efficient manner, to ensure accountability and to ensure that results are measured.

The Department will manage winding down activities for Culture.ca, Culturescope.ca, the Canadian Memory Fund and the R&D funds. It will also build on the results of the Gateway and Partnership Funds and seek how best to continue meeting their objectives. CHIN is proceeding with a re-design of its Web presence that will enhance the VMC.

Implementation schedule:

- VMC redesign: September 2009
- Winding down activities for Culture.ca, Culturescope.ca, the Canadian Memory Fund and the R&D funds: March 2010
- The Department's Web Transformation Strategy integration: 2010
- Gateway and Partnership funds review & new digital cultural strategy consideration: 2011

2. Performance measurement for the future federal government strategy for digital interactive culture needs to be emphasized

Little results-based performance information is available for the CCOS as a whole (although some of the individual components do monitor performance). For example, the program does not track the use being made by Canadians of all of the CCOS-funded websites. During the early years of the CCOS, this was a cumbersome and challenging task, due to the absence of adequate website traffic measurement software. Going forward, the Department needs to ensure that website traffic statistics are being compiled regularly for supported websites and that the Department has access to this information. This can be achieved by ensuring that a consistent web analytics process, including software and metrics, is used for all websites, which the Department would access in order to extract and analyze usage statistics.

The Department needs to develop a performance measurement strategy, which would specify the appropriate measurement indicators and data collection methods.

A regular performance report also needs to be published, so that Canadians are made aware of the extent to which the supported websites are actually being used and valued by Canadians.

Management Response: Accepted

In the contribution agreements the Department signs with recipients, it is required of each recipient to provide usage statistics for the funded site. This data is collected for a 3 to 5-year period after the launch of the site, depending on the fund. The Department agrees that the quality of the data received is varied while noting that some CCOS programs, such as the VMC, Culture.ca and Culturescope.ca, have developed sound mechanisms for obtaining reliable and consistent user data, as well as its analysis. Overall data for CCOS is currently being entered into a performance tracking database developed in response to a recommendation in the 2004 formative evaluation.

The Department agrees that a better method of gathering this information is required and is now feasible as the result of new technologies. CHIN has developed a new approach to the collection and analysis of Web statistics, and is working with the CCO Branch on a pilot project to implement this approach for some of the CCO Branch's funded projects, with the goal of eventually providing consistent and standardized Web metrics for all funded sites.

The pilot project will be conducted between the fall of 2008 and March 2009. If the results prove successful, funded projects for 2009-2010 will be required to use this approach. The CCO Branch will also evaluate the possibility of having past recipients convert to this approach as a way of collecting future performance data. If the approach does not prove satisfactory, the CCO Branch will continue to require statistical data from recipients and will diligently monitor recipients to obtain data from them. As results are acquired, the CCO Branch will input the data into its database to make them easily accessible.

Implementation schedule:

March 2009 for the pilot project; March 2010 for implementation

1. Background and Study Overview

1.1 Overview of the Canadian Culture Online Strategy

This section provides a concise profile of the Canadian Culture Online Strategy (CCOS).

1.1.1 History

The broad CCOS strategy originated in response to recommendations emerging from a series of reports prepared for the federal government in the 1990s and to a series of government announcements addressing Canadian culture within the context of the Internet and new media. The strategy was initiated with the Government's commitment to develop "a Canadian digital cultural content strategy for the 21st century", as noted in the Government's response to the 1999 Standing Committee on Canadian Heritage Report, *A Sense of Place – A Sense of Being*.

The Strategy also responded to the 1999 report of the Commissioner of Official Languages (*The Government of Canada and French on the Internet*) and to the 2002 follow-up report, in which the Government noted that the development of French-language content was a priority.

In the October 1999 Speech from the Throne, the Government promised to "bring Canadian culture into the digital age" by forming a virtual museum of Canada, placing collections of key cultural institutions online, increasing the support for the production of Canadian stories and increasing support for new media.

In the February 2000 *Budget*, the Government made a commitment to "enhance the presence of Canadian cultural material on the Internet in both official languages", and in May 2000 approved the Canadian Digital Cultural Content Initiative (CDCCI), which outlined measures to support cultural content creation in the digital age. In May 2001, it was subsumed and expanded by the Canadian Internet Cultural Content Strategy (CICCS), a broad framework to stimulate development and production of, and ensure access to Canadian cultural content on the Internet.

In May 2001, the Government announced over \$500 million in funding for arts and culture in the context of Tomorrow Starts Today (TST) initiative, and the CICCS received \$108 million of the TST funding.

In August 2001, the CICCS I subsumed the CDCCI and augmented support for digitization of Canadian cultural content by introducing several new initiatives. In December 2001, the CICCS II introduced the remaining Internet-related measures outlined in the "*Tomorrow Starts Today*" announcement. This strategy is now commonly referred to as the Canadian Culture Online Strategy.

Since 2001, the Government has introduced a number of funds and initiatives under CCOS to stimulate development, production of, and access to Canadian cultural content on the Internet, and for digitization of Canadian cultural content.

The Strategy was renewed until 2009-2010, with a realignment to facilitate reporting on results, as well as a commitment to undertake this evaluation study.

1.1.2 Rationale

A review of various background documents indicate that the Strategy was based on three underlying drivers, which are described below.²

a) The lack of Canadian cultural content online

By the late 1990s, a majority of the Canadian population aged 12 and older (63 per cent) had access to the Internet.³ A 1998 public opinion survey found that some 84 per cent of Canadians considered it extremely important to ensure the development and availability of Canadian cultural content on the “information highway.”⁴ However, because the Internet was a global medium, market forces alone would not ensure a diverse range of distinct Canadian cultural content in English and French. Available online Canadian cultural content was often invisible among the millions of foreign sites available on the Internet. At the time, less than 1 per cent of the records of the National Library, National Archives and Canadian museum collections had been digitized and made available online.

Various studies conducted had found that the amount of cultural and heritage content available on the Internet was limited, disorganized and hard to find. While other government programs had helped students and educators to become “connected”, little had been done to facilitate access to key Canadian reference sources that would provide students with appropriate, authentic educational information about Canada’s history, society, culture and heritage.

Access to cultural content that reflected Canadian values had always been a concern and key policy objective for government involvement in the cultural industries. The various federal programs that were in place in the late 1990s provided support to the creation of traditional cultural materials (books, music, films and images). In its May 17, 1999 Report on New Media, the CRTC concluded that the regulation that existed for radio and television broadcasting would not be appropriate for the Internet environment. Thus the Government believed that other measures were needed that would recognize the uniqueness and possibilities of new technologies to enhance Canadian cultural expression, identity and social cohesion.

² See for example, Department of Canadian Heritage, *Evaluation Assessment of the Canadian Culture Online Strategy*, final draft, December 21, 2005, p. 3.

³ AC Nielsen, September 1999.

⁴ Ekos, 1998.

In the Response to the 1999 Speech from the Throne, the Prime Minister stated that the Government would help to bring cultural institutions into the digital age and promote Canadian content in both traditional and new media.⁵ Budget 2000 stated that a priority for the Government was to ensure the availability of Canadian cultural content on-line.⁶ This would be accomplished by digitizing the collections and exhibitions of the National Archives of Canada, the National Library of Canada and related institutions so that Canadians would have access to them through the Internet. As well, a virtual museum would be created by linking the collections and exhibits of some 1,000 museums for on-line access by Canadians.

b) The threat to Canadian culture and identity

The Government felt that unless it acted to create a strong on-line presence in both official languages, it would risk leaving Canadians with no choice but to learn by assimilating more foreign (i.e., American) information and news, thus eroding their sense of belonging to Canada. It was also felt that this trend could worsen with increasing broadband access. The Government felt that a failure to nurture Canadian cultural content choices on the Internet would be a missed opportunity for cultural development, one that could undermine social cohesion and a sense of ourselves, especially among youth.

c) The challenge of finding Canadian cultural content online

As the popularity of the Internet grew, it was feared that choice and access to Canadian stories, images and voices would become increasingly difficult.

Canadian cultural content online was minimal and hard to find as it competed for prominence among the millions of websites on the Internet. Most Canadians who were using the Internet were accessing it through web portals that often reduced the frequency of visits to information sources outside of the portal. For example, in 2000, the top five portals were American (e.g., Yahoo.com). Only three sites of Canadian origin appeared in the top 25 worldwide sites. Thus Canadians were learning about major historical events such as the Second World War and receiving the majority of their cultural exposure through American eyes.

In the case of French content, while there had been an increase in the number of French sites in recent years, the relative scarcity of meaningful and authoritative French-language content online remained an issue. For example, a survey conducted in 2000 found that 63 per cent of French-speaking Internet users reported having difficulty in finding information in French.

While an array of existing websites existed that focused on culture, none was generating large audiences. A recognized and successful brand had yet to be developed for Canadian culture. To respond to these challenges, the Government decided that PCH would create

⁵ Government's Response to the 1999 Speech from the Throne, October 12, 1999; available at: http://www.pco-bcp.gc.ca/index.asp?lang=eng&page=information&sub=publications&doc=sft-ddt/1999_reply_e.htm.

⁶ Budget 2000, Budget Plan, Chapter 5: Making Canada's Economy More Innovative; available at: http://www.fin.gc.ca/budget00/bp/bpch5_1e.htm#Investing.

and launch a new cultural portal in 2001, called “CanadaPlace.” This and other proposed gateways were to provide windows to a wide range of cultural information, productions and services.

1.1.3 CCOS objectives

The overriding purpose of the CCOS is to ensure that Canadians, and through the world of the Internet, global users, have access to interactive, digital cultural content in both official languages that is reflective of Canada’s diversity.

CCOS seeks to achieve this overarching goal through the development of cultural content that promotes a strong new media sector, fosters learning content and provides access to key learning materials.

The CCOS has three central objectives:

- Support the creation of digital cultural content that reflects our diversity of cultures and heritage.
- Help to ensure access to that content.
- Facilitate the sustainability of the new media cultural sector.

Based on PCH’s current Program Activity Architecture (PAA), CCOS supports the Strategic Outcome: “Canadians express and share their diverse cultural experience with each other and the world” by supporting improved access to and creation of Canadian cultural content on the Internet.

Success for the Canadian Culture Online Strategy will translate into highly diverse, better quality, and more readily accessible digital cultural content in both official languages, reflecting Canadian realities and values.

A CCOS logic model was prepared during the Evaluation Framework phase and is provided in Figure 1.

Figure 1 – CCOS Logic Model

Strategic Outcome

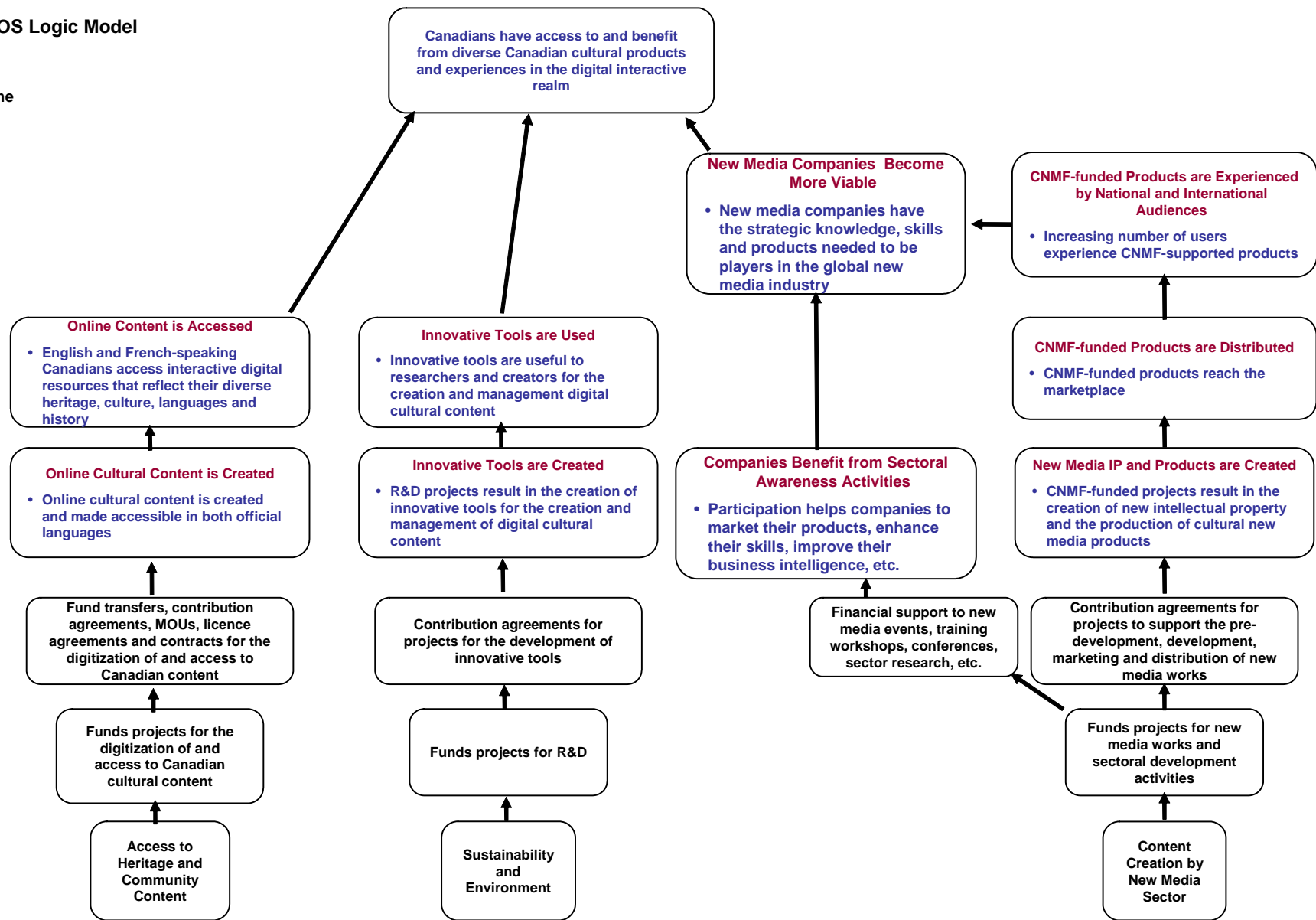
Intermediate Outcomes

Immediate Outcomes

Outputs

Activities

PAA



1.1.4 Program Design

The CCOS was renewed for the 2006-2007 to 2009-2010 period. As part of the renewal process, the various G&C programs were re-aligned under new terms and conditions into three components that correspond to the PCH PAA:

1. **Access and Content component** – Consolidates terms and conditions of two contribution funds:
 - Partnership Fund.
 - Gateway Fund.
2. **Research and Development component** – Includes:
 - New Media Research and Development Networks Fund.
 - New Media R & D Initiative.
3. **New Media Sector Development component** – Includes:
 - New Media Sector Development Fund. The fund provides incentives to Canada's new media sector through such projects as support to the Canada New Media Awards. It was transferred to Telefilm Canada in 2007-2008, and was not part of the scope of the present evaluation.

The non G&C activities of the CCOS that are funded through operating funds are the following:

- Canadian Works of Reference Licensing.
- Canadian Memory Fund.
- Culture.ca and Culturescope.ca portals.
- Virtual Museum of Canada (VMC).

In a separate process, Treasury Board approved the renewal of terms and conditions for the Canada New Media Fund, administered by Telefilm Canada. As noted earlier, the CNMF was not part of the scope of the present evaluation.

A brief description of the various CCOS funds and activities examined by the evaluation is provided in Table 1.

Table 1
CCOS Funds/Activities Covered by the Evaluation

CCOS Component, Fund/Activity and Objective	Administrator	Recipients/Beneficiaries
Non-G&C Activities (funded through operating funds)		
Canadian Memory Fund: Connect all Canadians with the riches of Canada's heritage by making key Canadian cultural collections held by federal institutions available free of charge via the Internet in both official languages. The Fund will provide meaningful and seamless access to content that helps deepen an understanding of Canada and of our rich diversity, especially for the benefit of Canadian youth and students.	CCOB, PCH	Federal institutions including all federal departments, agencies and Crown corporations holding key collections relevant to Canada's culture and heritage, such as Library and Archives Canada, CBC and Veterans Affairs.
Culture.ca: Facilitate access to online cultural resources for Canadians. Culturescope.ca: This is the interactive hub of the Canadian Cultural Observatory, which disseminates cultural policy and research information in Canada and abroad.	eServices Branch, PCH	Canadian citizens Professionals with an interest in cultural policy
Virtual Museum of Canada: Create digital content based on the holdings and knowledge of Canadian museums and to make that content available free of charge to Canadians through the VMC portal.	Canadian Heritage Information Network (CHIN)	VMC Investment Program: Virtual Exhibit Component: Contracts with heritage institutions to create online heritage content Community Memories Component: Contracts with (and provides customized software to) smaller museums to create local history online exhibits.
Canadian Works of Reference Licensing: Establishes annual intellectual property license agreements to provide Canadians with free access to two bilingual works of reference – Canadian Encyclopaedia and Dictionary of Canadian Biographies.	CCOB, PCH	Licensing agreements with publishers of the reference works.
Access and Content Component		
Partnerships Fund: Assists partnership initiatives between not-for-profit, public and private organizations and institutions to connect all Canadians with the riches of Canada's heritage by making Canadian cultural collections held by provincial,	CCOB, PCH	Registered or incorporated Canadian not-for-profit organizations active in the Canadian cultural or heritage sector.

CCOS Component, Fund/Activity and Objective	Administrator	Recipients/Beneficiaries
municipal and local cultural organizations available via the Internet in both official languages.		<p>Public educational institutions.</p> <p>First Nation (band or tribal council), Métis settlements or Inuit equivalent governments.</p> <p>Municipal or regional governments.</p> <p>Agencies of a provincial or territorial government.</p>
Gateway Fund: Increases the amount of quality Canadian cultural content for the Internet; build audiences for that content by making it easy to find on the Internet; and, engage Canadians to use the content and share their perspectives on Canadian events, people and values.	CCOB, PCH	<p>Aboriginal communities: Not-for-profit organizations and associations, or a First Nation band/tribal council, Métis settlement or Inuit equivalent government.</p> <p>Ethnocultural communities: Not-for-profit organizations or associations serving ethnocultural communities.</p>
Research and Development Component		
<p>New Media Research and Development Networks Fund: To help build R&D capacity in Canada and to advance innovation in the area of digital cultural content.</p> <p>New Media R&D Initiative: To stimulate the development and production of Canadian cultural content on the Internet.</p>	CCOB, PCH	<p>Public and private sector partners (SMEs, not-for-profits, non-governmental research institutes, post-secondary educational institutions) that organize themselves into a network</p> <p>A partnership made up of two or more of: SMEs, not-for-profits, non-governmental research institutes, post-secondary educational institutions</p>

1.1.5 Resources

Details on CCOS expenditures covering the period 2001-02 to 2006-07 are provided in Table 2. Total expenditures of the CCOS over this six-year period were \$340.8 million, with \$228.8 million spent on the various CCOS components examined by the evaluation. (There are several older funds/activities that no longer exist and therefore were not examined by the evaluation; this is discussed further under Section 1.2.) The largest component was the Canadian Memory Fund, which accounted for \$80.0 million of funding, or 35.0 per cent of this total. This was followed, in order, by the Virtual Museum of Canada (\$43.6 million, or 19.1 per cent), the Partnerships Fund (\$34.9 million, or 15.3 per cent), and Culture.ca (\$33.9 million, or 14.8 per cent). In 2006-2007, a total of 83 full-time equivalents were devoted to CCOS administration.

Table 2
CCOS Expenditures, by Fund/Activity, 2001-02 to 2006-07⁷

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	Total
Total Expenditures							
Salaries	1,305,391	1,857,363	2,527,701	2,760,007	2,858,498	3,004,914	14,313,874
Regular O&M	1,471,401	1,045,295	1,709,644	1,191,841	1,130,161	868,152	7,416,494
Sub-total Admin. Expenditures	2,776,792	2,902,658	4,237,345	3,951,848	3,988,659	3,873,066	21,730,368
G&Cs	13,008,689	23,100,426	23,971,939	22,006,479	26,550,186	29,076,277	137,713,996
Major O&M	34,259,997	34,421,097	30,821,470	28,329,174	27,673,595	25,892,048	181,397,381
Sub-total Project Expenditures	47,268,686	57,521,523	54,793,409	50,335,653	54,223,781	54,968,325	319,111,377
Total Expenditures	50,045,478	60,424,181	59,030,754	54,287,501	58,212,440	58,841,391	340,841,745
Expenditures on Funds/Activities Covered by Evaluation							
Virtual Museum of Canada	7,000,000	7,500,000	7,500,000	6,600,000	7,500,000	7,500,000	43,600,000
Canadian Memory Fund	15,026,000	13,000,000	13,418,714	13,354,174	13,228,595	12,017,048	80,044,531
Culture.ca	5,933,997	6,071,805	7,299,878	5,119,846	4,968,679	4,459,629	33,853,834
Culture Scope/Observatory/GOL	300,000	1,613,792	602,878	455,154	456,321	415,371	3,843,516
Partnerships Fund	2,282,488	5,144,323	6,167,182	6,898,747	7,066,351	7,364,838	34,923,929
Gateway Fund	430,913	1,623,897	1,370,455	1,145,717	1,233,042	2,167,740	7,971,764
NM Research Network/ RD Initiative	-	2,025,676	4,270,709	3,563,070	3,591,514	5,256,653	18,707,622
Canadian Encyclopedia	2,000,000	500,000	100,000	1,000,000	1,100,000	1,100,000	5,800,000
Dictionary of Canadian Biography	-	2,000,000	-	-	400,000	960,000	3,360,000
Total Expenditures on Funds/Activities	32,973,398	39,479,493	40,729,816	38,136,708	39,544,502	41,241,279	228,745,196

⁷ Financial data provided by Canadian Culture Online Branch, PCH. The total expenditures include the Canada New Media Fund, which totaled \$57.6 million.

1.1.6 Governance

The Canadian Culture Online Branch (CCOB) is ultimately responsible for the governance and results of the CCOS. The Branch operates within the Cultural Affairs Sector of PCH. The Branch oversees the development of policies and programs related to the Internet and digital technology consistent with the CCOS mandate and objectives, as well as measurement of its performance and reporting on its results.

The Canadian Heritage Information Network (CHIN) is responsible for the administration of the VMC, while the eServices Branch administers the Culture.ca and Culturescope.ca portals. (Telefilm Canada is responsible for the administration of the CNMF, which was not examined by the present evaluation.)

A National Advisory Board (NAB) was created in 2002 to help PCH better ensure that Canadians had increased choice in, and access to, Canadian cultural content online, in both official languages. The Board was comprised of a Chair and 13 members from across Canada. Its mandate was to advise the Minister of Canadian Heritage on the general direction and continued evolution of the CCOS in light of the evolution of the Internet. The Board produced two reports, one in August 2003 and the other in November 2004. In the latter, the NAB provided a blueprint for the future orientation of the strategy. The Board felt it had completed its mandate for the near term and thus recommended a suspension of its activity for the time being. This recommendation was accepted.

Finally, several of the CCOS funds and activities, including Culture.ca, Culturescope.ca, benefited from their own advisory bodies. Several of the funds also used external committees to assess funding applications (see Volume II – Annex E).

1.2 Purpose and Scope of the Evaluation

Evaluation Services Directorate (ESD) of the Office of the Chief Audit and Evaluation Executive (OCAEE), Department of Canadian Heritage (PCH) was responsible for conducting an Evaluation of the CCOS. The evaluation had two objectives:

- To permit the Minister of Canadian Heritage to report back to Cabinet by the fall of 2008 on the results of the Department's arts and culture programs.
- The evaluation will also be used at the time of the re-thinking of the program in March 2010.

The evaluation was conducted by Kelly Sears Consulting Group on behalf of Evaluation Services. An Evaluation Working Group guided the conduct of the evaluation. It was chaired by an ESD Project Manager and included representatives from the Canadian Culture Online Branch (CCOB) and Public Opinion Research (POR). The evaluation was overseen by an Evaluation Steering Committee at the Director General level, which provided overall direction for the evaluation.

The evaluation covers the timeframe from the inception of the CCOS in 2001 to the present. However, for the practical purpose of surveying the various funded projects in order to assess their impacts, the evaluation selected projects that were funded prior to March 31st, 2007.

Table 1 earlier listed the components of the CCOS that were covered by the evaluation. The main exclusion is the Canada New Media Fund, which was subject to a separate evaluation in 2006 and was renewed for two years in 2007. Several older CCOS funds and activities were also excluded from the evaluation, as they no longer exist. The present report does summarize the results of the CNMF evaluation, since the CNMF contributes to one of the three objectives of the strategy, to help sustain the new media cultural sector.

The evaluation was carried out in two phases. Phase 1 involved preparation of an Evaluation Framework, which developed a program profile and confirmed the study issues and methodology. Phase 2 was the evaluation implementation phase.

Phase 1 began on October 2, 2007 and was completed on January 25th, 2008 with the tabling of the report with the Evaluation Steering Committee. Phase 2 commenced immediately thereafter, and the study was completed in July 2008.

1.3 Evaluation Issues

The evaluation examined the following issues and questions:

A. Rationale and Relevance

1. Is there a continued role for the federal government in developing content and providing access to it?
2. Is the CCOS strategy still relevant?
3. Is the CCOS aligned with Government priorities?

B. Success and Impacts

4. Has the CCOS met its objectives and its immediate and intermediate outcomes? How well have funded projects aligned with the CCOS objectives?
5. To what extent is progress being made to achieve the CCOS long-term outcome, "Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm?"
6. What have been the unintended impacts and effects (either positive or negative) resulting from the CCOS?
7. Does the CCOS have appropriate performance measurement?
8. How, and to what extent does the CCOS meet the federal government's commitment under Section 41 of the Official Languages Act to English and French linguistic minority communities in Canada?

C. Cost-Efficiency and Alternatives

9. What is the overall cost effectiveness of the CCOS?
10. What is the administrative efficiency of the CCOS?
11. Does the CCOS have clearly defined target groups? Are the target groups being reached and have their needs been met? Who are the users? What is their profile? For what purposes do they use the CCOS?
12. Are the right governance model and delivery mechanisms in place?
13. To what extent does CCOS duplicate or overlap with other programs delivered through other organizations in the public, private or not-for-profit sectors?
14. Is the CCOS the best way for the Government to promote Canadian culture on the web? What are other alternatives?

The evaluation study also examined the individual CCOS components. The summary of the findings are included in Volume II – Annex E.

1.4 Methodology

Sufficient and appropriate evaluation procedures have been conducted and evidence gathered to support the accuracy of the opinion provided and contained in the report.

The evaluation matrix, which summarizes the data collection methods used to address each evaluation issue and question, is included in Volume II – Annex A.

1.4.1 Key informant interviews

This method consisted of 45 in-depth interviews with key stakeholders knowledgeable about the CCOS. Individuals were selected in order to provide feedback on the following aspects of the CCOS (number of interviews in parentheses):

- Overall CCOS strategy – including PCH senior management; CCOS component managers within PCH; former members of the National Advisory Board; outside experts. (8)
- Culture.ca and Culturescope.ca – including PCH managers and external members of the advisory committees. (3)
- VMC – including PCH managers, funding recipients and a member of the advisory committee. (8)
- Canadian Memory Fund – funding recipients. (6)
- Canadian Works of Reference Fund – funding recipients. (2)
- Partnerships Fund – funding recipients. (10)
- Gateway Fund – funding recipients. (2)
- A portal/gateway in another federal department. (1)
- A program in another jurisdiction in Canada. (1)
- Comparison programs in other countries. (3)
- An association that could comment on the performance of the CCOS in meeting the requirements of the Official Languages Act. (1)

The list of key informants is included in Volume II – Annex B, while the interview guide is included in Volume II—Annex C. Most of the interviews were conducted by telephone, with some carried out in person (in Ottawa, Toronto and Montreal).

1.4.2 Document and literature review

The document and literature review included previous studies commissioned by CCOB that provide information on trends in the results achieved by individual CCOS components, trends in online access to cultural information by Canadians, etc. We also obtained information on comparable programs in other provinces and selected other countries. The bibliography is provided in Volume II—Annex F.

1.4.3 File and database review

The first part of the file review was to extract quantitative and qualitative information on the number, type, and value of the projects financed over the years, the number of beneficiaries, the distribution of funding by region, etc. A second part of the file review involved a review a sample 22 project files (drawn from the various funds). The review focused on assessing the issue of performance measurement and reporting of results to Canadians. A guide to the file review is included in Volume II—Annex C.

1.4.4 Case Studies of CCOS Projects

The purpose of case studies in an evaluation study is to help illustrate and understand the findings obtained by the other data collection methods. The Evaluation Working Group suggested that the case studies be drawn from the three CCOS funds that provide project-based funding to external organizations. A total of six project case studies were carried out, covering the three CCOS project-based funds: Partnerships Fund, Gateway Fund and New Media Research Networks Fund. Each case study involved reviewing the departmental project file and a telephone interview with a representative of the recipient organization. Website traffic reports were also obtained, in order to assess the level of usage being made of each website. The case study interview guide is included in Volume II – Annex C.

1.4.5 Analysis of website traffic and backlinks

In order to investigate the success of the CCOS in achieving its objective pertaining to Canadians' access to Canadian cultural content, this analysis involved examining website traffic statistics from the major web sites funded by the various CCOS programs. The objective was to determine the overall traffic volume generated by CCOS-funded sites, as well as the growth and usage patterns in the traffic of sites. This analysis was carried out by the research firm Phase 5. The summary report is provided in Volume II, Annex D.

The analysis was based on existing data collected by the Department for CCOS-funded sites. As part of its agreements with each organization, Content Policy and Programs within the Canadian Culture Online Branch (CCOB) has been requiring funded sites to submit website traffic statistics to the Department. Similarly, CHIN, which manages the VMC Investment Programs, has a similar clause in its contracts with institutions.

The second part of the analysis involved a "backlink analysis" of the group of CCOS-supported websites examined above. A "backlink" is an incoming link to a website. The number of backlinks is an indication of the popularity or importance of a website (or webpage). Search engines such as Google often use the number of backlinks that a website has as one of the factors for determining that website's search ranking. Websites often employ various techniques, called search engine optimization (SEO), to achieve high ratings on search engines such as Google.

Most of the backlink analysis was performed using a SEO tool developed by Raven (www.raven-seo-tools.com), which compiles data from various sources, including Google and Yahoo!. The tool examines several factors, against which the particular website is rated, to yield a score (1-100).

The report on this analysis is included in Volume II – Annex D.

1.4.6 Surveys: Public opinion and CCOS recipients and non-funded applicants

Two surveys were conducted under separate contract by Corporate Research Group on behalf of the POR section in PCH. The two surveys were: an omnibus telephone survey of public opinion; and an online survey of CCOS recipients and non-funded projects.

a) Survey of public opinion

The omnibus telephone survey of public opinion focused on issues pertaining to the rationale for government intervention in supporting the creation of Canadian cultural on-line products. The survey questionnaire consisted of nine questions. It yielded a sample of 2,315 completed responses from the target population of the general Canadian public ages 16 and up, including an over-sample of youth (ages 16 to 34). The response rate was 4 per cent. The survey topics included:

- Frequency of searching for Canadian cultural information during the past six months.
- Level of awareness/extent to which the main CCOS-supported Canadian cultural information sites are accessed (Culture.ca, VMC portal, CBC Digital Archives).
- Extent to which Canadian cultural information is easy/difficult to find on the Internet (English and French).
- Level of support for the federal government to provide access to Canadian cultural content.

b) Online survey of recipients and non-funded applicants

The survey involved contacting the census of funding recipients and non-funded applicants. A total of 344 responses were obtained out of a sample of 1,229, for a response rate of 28 per cent. Where one organization was a recipient (or applicant) for multiple projects, they were asked questions about their most recent project.

The survey topics included:

- Incrementality of projects – For recipients: what would have happened in the absence of CCOS funding. For non-funded applicants: what happened to the particular project that did not receive funding.
- Recipients: Level of importance of various objectives at the time of project approval; extent to which the project achieved its objectives.
- Ratings of the benefits obtained from the funded project.
- Level of satisfaction with various aspects of the program delivery process.
- Level of support for the CCOS, and why.

1.4.7 Interviews with researchers

A combination of personal and telephone interviews were carried out with 12 researchers in the field of culture and digital technology, drawn from the public, private and academic sectors. The group included several of the recipients of funding from the New Media R&D component, since this part of the CCOS was not covered by the key informant interviews. The organizations represented by the sample of researchers are provided in Volume II – Annex B and the interview guide is in Annex C.

1.5 Challenges and Limitations

The main challenges faced by the evaluation study and its limitations were as follows:

- The CCOS is a multi-faceted program, with broad, high-level objectives, several components/programs/activities each with its own objectives, multiple recipient groups and multiple beneficiaries. Given the limitations of time and budget, it was not possible to thoroughly investigate all of these aspects of the CCOS.
- Few key informants and case study organizations had an understanding of the overall CCOS. They knew the particular funding program they had interacted with,

but had less familiarity with the other parts of the CCOS. This made it difficult to assess the overall success of the strategy and its continued relevance.

- The challenge of attempting to measure the overall success of the program. Success could be assessed in a variety of ways, including:
 - The percentage of cultural organizations that have digitized their priority records/artifacts/collections.
 - The level of usage of CCOS-funded websites and trends over time.
 - Whether school teachers are using CCOS-funded websites.
 - Whether Canadians can find online cultural content in their preferred language.
 - Whether CCOS-funded websites are contributing to an improved understanding among Canadians of Aboriginal and ethno-cultural heritage.
 - The contribution of the program to the development of Canada's new media industry.
- The absence of available performance data for the CCOS as a whole. For example, there are major gaps in the available website traffic statistics for CCOS-funded websites. This made it difficult to develop an estimate of the number of Canadians who are accessing online cultural content developed with CCOS support (the overall objective/strategic outcome of the CCOS).
- Most of the data collection focused on recipients, who tend to have a positive view.
- Based on discussion with the Steering Committee, no primary research was conducted in the educational system (e.g., a survey of teachers), due to the difficulties that would be encountered in attempting to survey this population (e.g., it would require working through provincial associations to gain their permission to survey teachers).

2. Evaluation Findings

This section presents the findings from the evaluation study, organized by the evaluation issues and questions (listed in Section 1).

2.1 Rationale and Relevance

An evaluation study typically examines the issue of the continuing relevance of a program by assessing whether the needs that existed at the time the program was introduced are still in evidence today. The Phase I Evaluation Framework identified the following three questions under the rationale and relevance heading: 1) Is there a continuing role for the federal government to play in developing content and providing access to it?; 2) Is the CCOS strategy still relevant?; and, 3) Is the CCOS aligned with Government priorities?

2.1.1 Is there a continuing role for the federal government in developing content and providing access to it?

As described in Section I, the rationale for establishing the CCOS consisted of three elements: the need to support the creation of online cultural content, since market forces alone would not result in the creation of such content; the fact that Canadians were using the Internet to connect directly to American sources of information, thus threatening the Canadian identity; and, that as the Internet grew, it would become increasingly difficult to find Canadian cultural information.

In commenting on the element of the CCOS rationale pertaining to supporting the creation of online cultural content, several key informants made a distinction between supporting the digitization of records/artifacts of cultural organizations versus the creation of online cultural exhibits. They stated that there is much more work to be done to digitize the records of cultural organizations (i.e., museums/art galleries, archives, libraries), so that they can be made available online for clientele who cannot visit the organization in person, and/or to be used to support on-site physical exhibits (e.g., a computer workstation situated next to the physical exhibit, where the visitor can obtain in-depth information about the particular exhibit). Several key informants stated this continues to be an important need of many institutions but expressed the view that the CCOS could have been better designed to achieve this goal. Key informants referred to this as the debate regarding the need for “mass digitization” versus creating online exhibits. Everyone agreed that it made sense to support cultural organizations to digitize their records/collections. A digital version is required in order to present the object on a website, as well as to support the physical exhibit, as described above. However, several recipient organizations disagreed with the emphasis of some of the CCOS funding programs (particularly the Canadian Memory Fund) which is to support the creation of online exhibits that have contextualization and interpretation. They stated that *“people want to get to the actual object or record, and don’t want to be led through an online exhibit.”* Note that this finding is based on a limited sample of key informants and further research would be required in order to examine this issue in more

depth. In reviewing a draft of this evaluation study report, CHIN stated that in its dealings with teachers, contextualization is very important to them.

Key informants also referred to the role of the CCOS in helping to “get them into the digital age.” Going back to the late 1990s when the strategy behind the CCOS was being formed, many cultural organizations (e.g., museums/art galleries, archives) had little experience with the Internet and what it might mean to their organizations. In fact, at the time there was a concern that the advent of online virtual exhibits was a “threat,” as they might take away visitors to their physical locations. Today, most observers believe that websites and other digital technologies can enhance a museum’s “brand” and overall success.⁸ For example, Canadians located far away from a museum can view online exhibits, thus extending the museum’s reach; researchers around the world are able to do online research about Canada’s culture and history; visitors walking through a museum increasingly will be able to download supplementary information about an exhibit to their smartphones, which enhances the museum/visitor interactive experience.

Note, however, that there was a strong minority opinion from the museum community, which states that a virtual experience will never replace “being there” – for example, seeing a tiny image of a Group of Seven painting on a computer laptop cannot replicate the experience of seeing the painting at the McMichael art gallery (which houses the largest collection of Group of Seven art). Thus they questioned the merits of spending scarce government resources on creating virtual exhibits.

Canadian museums were reported to lag behind the museums of other countries when it comes to the use of digital technologies. Even some of the larger Canadian museums were reported to have not yet digitized their collections (for example, it was reported that not all of the McMichael’s collection of Group of Seven paintings has been digitized). Canadian museums were also viewed as being less interested in research into potential uses of new technologies. Overall, museums in Canada were viewed as having a long way to go in terms of exploiting digital technologies, and PCH (particularly CHIN) was viewed as playing an important role in this area. CHIN’s mission includes working to assist museums by offering skills development and knowledge transfer in the areas of new technologies.

Another element of the original rationale for the CCOS was the desire to ensure “Canada has a voice online,” particularly given the dominance of US websites on the Internet. This was a theme of the 2004 report of the Canadian Culture Online National Advisory Board. However, interviewees did not raise a concern that the high level of American cultural content online is threatening the “Canadian identity.” There *is* an issue concerning the paucity of Canadian websites among the most popular websites, but this probably is more an economic issue than it is a cultural one. (For example, a popular website such as the American Facebook site can achieve a valuation of several billion dollars, thus creating wealth for shareholders, creating jobs, etc.) Also, the major portals and search engines are nationality-neutral with respect to how they function to users (to take the Facebook

⁸ A recent study by the Institute of Museum and Library Services found that the number of remote online visits is positively correlated with the number of in-person visits to museums; available at: <http://www.ims.gov/news/2008/030608.shtm>.

example, Canadians are major participants and have created many groups on issues of concern in the cultural sphere, such as changes to copyright law.) Some key informants in Quebec, however, were concerned about the dominance of US websites. Creators of Canadian cultural content websites need to construct and manage their websites in such a way as to ensure their visibility via third party search engines, regardless of the nationality of those websites. Finally, the role of the Government in supporting Canada's new media industry was not examined by the present evaluation, but is an important issue. The previous evaluation of the Canada New Media Fund concluded that the funding provided to new media companies over the years had been important to the success of these companies and to the sector as a whole.

The third aspect of the CCOS rationale was the decision to create centralized portals/gateways that would assemble Canadian cultural content and provide Canadians with access to this information. In reviewing the various background documents that led to the formation of the CCOS, it was noted that in the late 1990s many Canadians were using foreign portals to access the Internet. This was prior to the widespread emergence of commercial search engines. As the Internet continued to evolve in the new millennium, powerful search engines such as Google became widely used. Key informants generally expressed skepticism that a single federal portal, such as Culture.ca, could move quickly enough to adopt new technology and develop fresh content in order to compete effectively with commercial search engines. We were told that when teachers, for example, want to find information on a particular subject, they simply do a Google search, as they either are not interested or do not have the time to start at the entry point of a portal and browse their way to find the information they are looking for. Again, further research would be required in order to determine the approaches used by teachers in doing online research.

Overall, key informants had limited support for two of the CCOS portals, Culture.ca and Culturescope.ca. The public opinion survey found that 8 per cent of Canadians had visited Culture.ca at some point.⁹ PCH managers stated that the fact that PCH could not promote the Culture.ca website (due to federal government policies regarding advertising and sponsors) prevented it from becoming a "destination site."

Part of the rationale for a federal portal had to do with a role for the federal government in helping to provide access to reliable ("authoritative") online content. The Internet has made it possible to easily transmit content apart from any physical medium, without the involvement of a legitimate "publisher", while the wide-spread adoption of web publishing tools, blogging software, and wikis¹⁰ are diffusing the ability of any single or group of organizations to claim and maintain authority in any given arena. As a result, the increase in usage of the Internet has been accompanied by a great increase in not only the amount of cultural content available to users, but also the number of sources supplying content. This proliferation of information sources raises important questions regarding the authenticity

⁹ Corporate Research Associates, *Public Opinion Research to Support the Summative Evaluation of the Canadian Culture Online Strategy (CCOS)*, prepared for Department of Canadian Heritage, December 19, 2007, p.12.

¹⁰ Blogging software enables individuals to publish personal web pages, while wiki software enables communities to publish web pages of interest to that community.

and accuracy of cultural content, or to put it more simply: absent central sources of information, how will Canadian citizens know who to trust for accurate information?

Generally, with an important exception, respondents felt that the Government does not have a role to play in providing access to authoritative content on the Internet. The sense is that a feature of web 2.0 is that users both create and police the creation of content – and that, in any event, the Internet moves too quickly, and is too vast, to be influenced by a formal effort to direct Canadians to authoritative content. The exception to this view, however, concerns the Canadian Works of Reference Licensing component. This funding activity has supported two online websites that house the Dictionary of Canadian Biography and the Canadian Encyclopedia. As discussed further in Volume II—Annex E, a rationale for these websites is that they provide authoritative content: the material is developed by subject-matter experts and articles are subjected to peer review. There was support for these projects among key informants.

It is clear that this debate is ongoing, although those limited studies that do exist have tended to conclude that broad criticisms¹¹ of the major sources of community-generated online content, as compared to traditionally published content, are unfounded.¹² And while the debate over user-created content continues, there is a second school of thought that online collaboration, while representing a threat to centrally-controlled systems, will result in benefits that “will not only serve commercial interests, they will help people do public spirited things.”¹³ A recent book by Don Tapscott assesses and analyzes the wiki phenomenon. He describes wikis as creating communal platforms for commerce and grassroots action, providing, under the latter category, platforms for public disclosure and neighbourhood knowledge.¹⁴ He maintains that mass collaboration, while it may be threatening to established centralized systems, will yield significant benefits. While there are a variety of cultural portals around the world, most of these have not yet embraced web 2.0 tools, and in the cases where they have, blogs are more prevalent than are wikis.¹⁵

A third CCOS portal, the VMC, had generally good support from key informants, for several reasons. The VMC has a targeted community (museums) and is well-known throughout this community. VMC-supported exhibits are grouped in one place (which is not the case for some of the other CCOS funding programs). The VMC portal hosts exhibits for smaller museums that otherwise might not have an online presence. PCH website traffic figures show that the VMC portal had over 500,000 monthly unique visitors

¹¹ See, for example, “Wikipedia critic finds 142 plagiarized passages on website”, CBC Arts, at <http://www.cbc.ca/news/story/2006/11/06/wikipedia-plagiarism.html>, accessed on March 16, 2008. The critic referred to in the CBC article, Daniel Brandt, runs a website titled “Wikipedia Watch”, which has been a persistent critic of Wikipedia.

¹² See “Wikipedia survives research test”, BBC News, at <http://news.bbc.co.uk/1/hi/technology/4530930.stm>, accessed on March 16, 2008. Access to the original Nature article is by subscription only, at <http://www.nature.com/nature/journal/v438/n7070/full/438900a.html>

¹³ Don Tapscott, *Wikinomics: How Mass Collaboration Changes Everything*, 2006, Portfolio Press, p. 12.

¹⁴ Ibid, pp.183-212.

¹⁵ See, for example, the various global cultural portals at www.culture.info compiled by the EU EUCLID program.

in 2006-07 (the sub-section on Success/Impacts provides further information on traffic to this website).

A related issue concerning government supported portals is the form that such portals should take. A review of government-supported portals in other countries indicates, as noted above, that most portals do not support a wide variety of web 2.0 functionality, and where there is a level of interactivity, it tends to be limited to blogs or news or comment postings that are submitted by users and then published upon approval of the site administrator – a limited type of interactivity. Further, some portals are more commercial in nature, such as the New Zealand portal or the French portal, which within a few clicks will deposit visitors upon the cinema web pages of *Le Monde*, where they can peruse the full commercial listings of current cinema offerings. Decisions regarding the form of government-supported cultural portals may influence the level of participation of visitors, site traffic, opportunities to obtain non-government funding for the support and further development of the portal, and ultimately the success of the portal, although there is no publicly available data upon which to further assess these alternatives. At the same time, opportunities for collaboration have been stated as being important to cultural communities, a goal which can be furthered through interactive sites.¹⁶

An example of a more commercially-oriented portal approach is in New Zealand, where cultural offerings are presented with more mainstream entertainment and features such as online ticketing, in an effort to make the portal competitive with commercial sites. The New Zealand approach may be contrasted with that taken in Australia, where the focus of the portal is more narrowly fixed on local artists and activities in the areas that more traditionally have been considered cultural. The French experience (culture.fr) shares some similarities with the Australian model but it is more decentralized and comes across as very vibrant and lively, with links deep into broad cultural platforms offering a wide array of information and listings. Coupled with a strong societal affinity for cultural activities, this relatively new portal is quite popular. Further information on the portals in other countries is presented later in this report.

Interviews with informants and researchers raised the question of whether Canada should establish a new cultural portal, perhaps in partnership with, or even led by a non-government organization. This could enable more marketing and promotion, and could result in the creation of a portal that would be used on a wider basis, and more competitive with other sources of information about culture and leisure activities. This question would require further research.

¹⁶ See, for example, “*Cultural Diversity on the Internet – A Survey of Stakeholders*”, report to Canadian Heritage, Ekos Research Associates, Inc., April 14, 2005, p. 17. It states, “First and foremost, stakeholders believe that the main priority for Ethno-cultural and Aboriginal communities is to showcase their culture to others outside their community in order to promote cross-cultural interaction and understanding...”

An alternative to a central portal would be to provide cultural organizations with technical support to enable their websites to achieve higher rankings by the major search engines. The rapidly growing field of Search Engine Optimization (SEO), for example, is a discipline which concentrates on assisting web sites to improve their rankings on results displayed by search engines. Several cultural institutions stated that they lack expertise in this area.

Summary – Is there a continuing role for the federal government in developing content and providing access to it? Key informants argued that there is more work to be done in digitizing the records/artifacts of cultural organizations. Everyone agreed that it made sense for the CCOS to support cultural organizations to carry out this activity; however, several recipient organizations disagreed with the emphasis of some of the CCOS programs that supported the creation of online exhibits that have contextualization and interpretation. There was also support from key informants for the creation of online cultural exhibits, although the Government should emphasize the need for funding recipients to develop more innovative websites. The third aspect of the rationale for the CCOS pertained to the need to create a central gateway to Canadian online cultural content, in order to help Canadians find this information. There was limited support among key informants for Culture.ca, since modern search engines such as Google enable searches for Canadian cultural information to be easily done. Stronger support was expressed for the VMC portal.

2.1.2 Continued relevance of the CCOS as a whole

This issue concerns whether there is a continued need for an overall CCOS strategy that ties together several funding programs and other support activities. Very few key informants and case study organizations were able to comment on the continued relevance of the CCOS as a whole, because they did not have a clear understanding of the overall strategy. For example, upon reading the interview guide that included descriptions of the various CCOS components/funding programs, several funding recipients (some of whom had been funded for multiple CCOS projects over the years) stated, *“I had no idea that the CCOS had all these funding programs.”*

The few that did have some sort of overall “picture” tended to be individuals who had served on one of the advisory committees that assessed program applications, and therefore had more exposure to the various parts of the CCOS. In fact, key informants were confused by the evaluation study’s use of the “CCOS” acronym. Rather, they understood that there were two programs, first, the Canadian Culture Online Program (CCOP), which, in turn, consisted of a number of funding programs (e.g., Gateway Fund, Partnerships Fund, New Media Research and Development Networks Fund) and, second, the VMC. This perception is supported by the fact that the Canadian Culture Online (CCO) website uses the CCOP term (not “CCOS”) and does not mention the VMC under its list of funding programs.

Furthermore, it was unclear to key informants whether there was any relationship between the two parts of the CCOS. Overall, key informants understood the particular fund that they had interacted with, but did not have a clear picture of the “umbrella” CCOS strategy.

In terms of ongoing needs, a major issue facing cultural organizations in their digital strategies is related to copyright and rights management. Digitization of works held in collections may require researching underlying rights, obtaining permission from artists or creators to digitally “display” their works, and making payments to creators or their representatives. Under the CCOS, the costs associated with copyright clearance are eligible expenses. And CHIN offers skills development to museums on the subject of copyright. However, cultural organizations face copyright issues outside of their individual CCOS projects, given they might cover only a fraction of their collections.

Copyright is a complex subject, due to the wide variety of cultural media (television programs, films, art, books, music, etc.) and the large number of parties that have to be negotiated with. Both the complexity of the issue and the volume of work involved are impediments to the digitization of collections. Several organizations stated that their rights management offices were overloaded and not able to keep up with the volume of work. There was a call for PCH to examine this issue and champion solutions, including any that may need to be reflected in changes to Canadian copyright law. While informants were aware that Canadian copyright law is likely to undergo changes in the near future, they were unclear as to whether that revision process would be likely to address their concerns regarding rights management and acquisition. A few key informants mentioned that Library and Archives Canada is developing a national digital strategy that is examining copyright issues, but the relationship between this initiative and the CCOS was not clear to them.

Another specific issue facing cultural organizations is how to assess the usage being made of their institutional websites as well as the various sub-sites (including both CCOS-supported online collections/exhibits and others). PCH was viewed as having a specific role in helping funding recipients to implement the latest web analytics software and ensuring that websites have developed search engine optimization strategies.

A basic question in evaluating the continued relevance of a government program is determining “when the job is done.” To answer this question, it is necessary to specify the measure(s) of success. This is a difficult question to answer in the case of the CCOS, given it has several inherent objectives, and consists of several funding programs, each with its own set of objectives. There are many possible metrics, and it is not clear what they are and which one is the most important. This subject is discussed further under the “success/impacts” sub-section.

Regarding the question of whether Canadians are able to find cultural content online, the results of the public opinion research survey show that the majority of Canadians believe it is easy to find English-language cultural information on the Internet (62 per cent of Anglophones respondents agreed). There is slightly less agreement that French-language cultural content is readily accessible (56 per cent of Francophones agreed). As noted in Section I, a survey conducted in 2000 found that 63 per cent of French-speaking Internet users reported difficulty in finding information in French. These results indicate that there still is an issue regarding the availability of French-language cultural content on the Internet but it appears that some progress has been made over the past several years.

Overall, the conclusion regarding the continued relevance question is that there appears to be an ongoing need for strategies targeted to specific sectors (e.g., museums, archives) and to specific issues (e.g., capacity building, mass digitization, innovation). While there appears to be a continuing need for certain specific programs, it is not clear from the key informant interviews whether these needs need to be tied together under an overarching strategy (a “post-CCOS” strategy).

Summary – Continued relevance of the CCOS as a whole: Key informants did not have a clear view regarding whether an overarching CCOS strategy is still required. However, several ongoing needs were identified. The development of state-of-the-art websites containing high quality cultural content that will engage Canadians is an expensive proposition. Work still needs to be done regarding Aboriginal and ethnocultural content in particular. Cultural organizations still have work to do regarding the digitization of their records/artifacts. PCH was viewed as having an important role in resolving certain copyright and rights management issues.

2.1.3 Alignment with Government priorities

This issue concerns whether the CCOS continues to be aligned with Government priorities, as revealed in official Government documents, such as the Budget plan, Speech from the Throne and departmental plans (such as the annual Report on Plans and Priorities).

The Government of Canada’s social affairs spending area includes the following strategic outcome: “a vibrant Canadian culture and heritage.” The objectives of the CCOS are aligned with this outcome, since, within the Department’s Program Activity Architecture, CCOS contributes to the following strategic outcome: “Canadian artistic expressions and cultural content are created and accessible at home and abroad.”

Some aspects of the CCOS, particularly its contribution to the development of Canada’s new media sector, are receiving increasing attention by the Government. For example, on November 6, 2007, during the annual conference of the Canadian Association of Broadcasters, the Minister of Canadian Heritage emphasized the Government’s recognition of both the economic and cultural opportunities that digital media can bring to Canada:

The Speech from the Throne calls Canada a “society that is open to creation and quick to innovate”.

And, Advantage Canada, our economic plan, makes it clear that “talented, creative people are the most critical contributors to a successful national economy over the long term”.

We stand now at the threshold of an immense opportunity—an opportunity created by digital technologies.

And let us be clear: “new” media are by no means new in the cultural sector.

What is new is the potential of digital technologies to contribute to national competitiveness.

Compelling digital content attracts audiences and revenues, triggering dynamic developments in existing industries, creating new markets, and improving skills.

It fuels demand for better broadband networks and new gadgets and devices.

There exists an important opportunity for Canada to harness these new trends, make our economy more prosperous and innovative, and to brand our cultural exports to the world.”

The CRTC launched a consultation on broadcasting in the new media environment on May 15, 2008.¹⁷ In a research document released as part of the consultation, the CRTC noted that stakeholders have called for greater government funding for new media broadcasting content and/or funding for multi-platform Canadian content.¹⁸ New media producers have called for greater stability and funding increases to the Canada New Media Fund (which is part of the CCOS).¹⁹

The CCOS is also consistent with the priority of the Government regarding official languages. This priority was re-affirmed in the 2007 Speech from the Throne:

Our Government supports Canada’s linguistic duality. It will renew its commitment to official languages in Canada by developing a strategy for the next phase of the Action Plan for Official Languages.

As discussed later in this report, the CCOS is recognized in Quebec and among official language minority groups across Canada as playing a crucial role in terms of increasing the amount of French-language material on the Internet. It has also served to provide a voice and platform to websites that speak to the needs, interests and aspirations of these communities.

Summary – Alignment with Government priorities – The CCOS is formally situated in the Department’s Program Activity Architecture. Some aspects of the CCOS, including its support for Canada’s new media sector, continue to be important goals for the Government. The objectives of the CCOS are also consistent with the priority of the Government regarding support for official languages.

¹⁷ CRTC launches consultation on broadcasting in new media for future hearing, May 15, 2008; available at: <http://crtc.gc.ca/eng/NEWS/RELEASES/2008/r080515.htm>.

¹⁸ CRTC, Perspectives on Canadian Broadcasting in New Media: A Compilation of Research and Stakeholder Views, May 2008, p. 56.

¹⁹ Ibid.

2.2 Success/Impacts

2.2.1 Achievement of immediate and intermediate outcomes and alignment of CCOS projects with objectives

As described in Section I, the CCOS has three main objectives: the creation of digital cultural content; providing access to, and increased audiences for this content; and, facilitate the sustainability of the new media cultural sector. The performance of the CCOS in achieving each of these objectives is discussed in turn below.

a) Creation of content

Over the 2001-02 to 2006-07 timeframe, the CCOS has supported the creation of an enormous amount of online cultural content. As summarized in Table 3, the various CCOS funds devoted to content development have supported a total of 1,201 projects, at a total investment of \$ 130.6 million.²⁰ A complete listing of all of the CCOS-funded projects is available on the departmental website.²¹

Table 3
Summary of CCOS projects that support creation of content, 2001-02 to 2006-07²²

Component/Fund	2001-2002		2002-2003		2003-2004		2004-2005		2005-2006		2006-2007		Totals	
	# Projects	\$	# Projects	\$	# Projects	\$	# Projects	\$	# Projects	\$	# Projects	\$	# Projects	\$
Partnerships	18	2,747,916	14	4,762,601	19	6,396,579	25	7,201,897	24	6,840,376	21	6,921,199	121	34,870,568
Canadian Memory	86	13,695,000	120	11,000,000	153	13,686,400	111	12,905,259	0	0	86	12,017,048	556	63,303,707
Gateway	3	430,917	5	1,623,897	2	1,393,350	30	1,275,106	25	1,103,433	25	1,191,027	90	7,017,730
Virtual Museum	37	2,661,469	127	3,259,065	101	2,972,281	50	2,548,734	98	3,749,386	19	1,100,350	432	16,291,285
Cdn. Works of Ref.	1	2,000,000	2	2,500,000	1	100,000	1	1,000,000	2	1,500,000	2	2,060,000	2	9,160,000
Totals	145	21,535,302	268	23,145,563	276	24,548,610	217	24,930,996	149	13,193,195	153	23,289,624	1,201	130,643,290

* In 2006-2007, financial commitments for projects approved in previous fiscal years, including the Collection X project, limited the amount of funding available for new projects.

During the course of the interviews and case studies carried out by the evaluation, several websites containing high quality, innovative cultural content were encountered. Some of the more notable examples are the following:

- *Exploring Kainai Plants and Culture*, Galileo Educational Network Association, Alberta <<http://www.galileo.org/plants/kainai/>> – This Partnerships Fund project has involved several partners, including a First Nations reserve and an elementary school. It has involved documenting the history of healing plants used by First

²⁰ The table does not include the two portals (Culture.ca and Culturescope.ca) and the two New Media R&D funds.

²¹ See: http://www.pch.gc.ca/progs/ccce-ccop/index_e.cfm.

²² Data were provided by the Canadian Culture Online Program and CHIN. For the Canadian Works of Reference Licensing component, two projects have been supported over the years: Dictionary of Canadian Biography and the Canadian Encyclopedia; the column for each year reflects the number of intellectual licensing agreements funded, whereas the grand total column reflects the total number of projects (2). For the Virtual Museum, the data include both the Virtual Exhibits Program and the Community Memories Program.

Peoples over the centuries, and has featured interviews with elders conducted by Grade 4 students. The resulting exhibit is now being used in the Alberta social studies curriculum as well as in university-level ethno-botany courses. The Partnerships Fund has been particularly important as new knowledge has been created by First Nations peoples, instead of the typical Euro-centric interpretation. Also, students were directly involved in the creation of knowledge, which was much more effective than the age-old approach to education of forcing students to “learn” by reciting material from textbooks. So, this project is not simply a digitization of a static library, but has created new knowledge that reportedly has had an impact on Aboriginal communities.

- ***A Journey into Time Immemorial***, Simon Fraser University, Museum of Archaeology & Ethnology <<http://www.sfu.museum/time/>> – The objectives of this VMC-funded project were to provide a journey through the past that explains the oral histories, narratives and legends that express the rich cultural traditions of two First Nations, the Sto:lo of the Fraser Valley and the Squamish of the Whistler Region. These oral traditions provide the foundation of indigenous culture and beliefs and inform their interactions with the broader Canadian society. Underlying the primary focus of this web production was the opportunity for the expansion of public knowledge on Canadian history from an indigenous perspective, one that provides an understanding of a dynamic and thriving culture. Through dynamic three-dimensional graphics, interactive games and environments, the website allows visitors to explore the foundations of these First Nations cultures and the history of their interactions with Canadian society. A key feature of the website is the innovative handling of content in a manner that reflects the non-linear aspects of aboriginal culture. A total of 2,281 unique visitors accessed the site in March 2008, spending an average of 3:27 minutes on the site.
- ***A Journey to a New Land***, Simon Fraser University, Museum of Archaeology & Ethnology <<http://www.sfu.museum/journey/>> – The theme of “Journey to a New Land”, the second VMC-funded project undertaken by the Museum of Archaeology & Ethnology, is to describe how people originally arrived to the New World some 12,000 years ago. Two theories exist in the academic community on the particular geographic route taken: an inland ice-free corridor from Siberia to the unglaciated regions south of the ice sheets, or a coastal route, travelling by boat down the Pacific Coast. The website targets students ranging from elementary level through to post-secondary level, with each targeted audience provided with a different journey through the site. “A Journey to a New Land” complements the other website “A Journey into Time Immemorial,” as it takes more of a scientific perspective. In terms of website traffic, “A Journey to a New Land” has been particularly popular, reaching 5,064 unique users in March 2008, who spent an average of 3:13 minutes on the site. This website has also won several awards, including one from Digital Educators America. The beautiful illustrations on the website have been re-marketed to several science publications, including *Scientific American*.

- **Modèles noirs (Black Role Models)**, Centre RIRE 2000 <www.modelsnoir.org> -- The Centre R.I.R.E. 2000 is a not-for-profit organization in Quebec City with a goal to educate the Quebec community about the realities and impact of technology and racism. The Centre wanted to develop a multicultural website that promotes success and diversity and fights against racism, intolerance and ignorance. This site, supported by the Gateway Fund, is dedicated to young people of all cultures in ethnocultural communities and the rest of Canada. It consists of biographies of role models from the black community who achieved success in Quebec and in Canadian society. The Centre is very active in the Quebec City area and it focuses on working with students to sensitize them to the issues that exist within a pluralistic society as well as providing technology training to assist people in getting into the workforce. The original concept for the project was developed in-house at the Centre as a website that focussed on the history and personalities of the black community in the area and in Canada. The target audience was principally high-school students. It includes an interactive tool developed in consultation with local teachers and which can be used to help students hold “conferences” or events that are anchored by the website. Because the Centre reached into the community for participation, it drew more of the local community and ended up with a much broader audience who wanted to learn more about both racism and technology. Initially, they had felt that the website would only be of interest locally but the Internet drew people to it from all over and thus it had a much larger impact than originally expected.

These and other projects raised an issue with the various CCOS funding programs, in terms of whether the CCOS should be about digitizing existing collections versus creating new cultural content that does not currently exist in any form. One of the key informants made the argument to PCH that creating cultural content is important, and the organization’s proposals were eventually approved for funding; credit was given to PCH for understanding this issue.

An evaluation study also examines the *incrementality* of the program. All key informants who were CCOS funding recipients as well as the case study organizations reported that their projects would not have proceeded in the absence of CCOS support. In making this argument, they stated that there were very few other sources of financial support, from either other levels of government or from the private sector.

The survey of CCOS recipients and non-funded applicants echoed the finding of the key informant interviews. As summarized in Table 4, the majority of projects would not have proceeded without CCOS support. Additionally, a small percentage of organizations indicated that their projects would still have been carried out, but would have been reduced in size or scope. No projects would have been carried out in the same manner as planned (i.e., without any changes) in the absence of funding.

Overall, the level of incrementality of the CCOS is very high: we can conclude that had the CCOS not existed, there likely would be considerably less online Canadian cultural content today.

Table 4
Incrementality of CCOS funding (survey results)

Project Outcome had Canadian Culture Online Funding Not Been Received (Recipients) – Q.16						
Outcomes	Overall (n=157)	Canadian Memory Fund (n=13)	Virtual Museum of Canada (n=88)	Partnership Fund (n=32)	Gateway Fund (n=16)	New Media Research and Dev. (n=8)
Project would not have been carried out	77%	92%	92%	50%	56%	63%
Project would have been carried out, but significantly reduced in size or scope	15%	8%	3%	34%	31%	25%
Project would have been carried out, but slightly reduced in size or scope	2%	0%	1%	0%	6%	0%
Project would have been carried out, but at a later point in time	5%	0%	2%	13%	6%	13%
Project would have been carried out, with no changes	0%	0%	0%	0%	0%	0%
*Caution: small sample sizes.						

b) Access to content

The views of key informants on the success in achieving the second objective of increasing access were more varied. Some stated that the CCOS has been very successful at content creation but that they were less sure of the progress made on the access objective.

In order to address the access issue, the evaluation team analyzed existing data collected by the Department for CCOS-funded websites. As described in Section I, this involved analyzing website traffic reports submitted by funding recipients, which is a requirement of the funding agreements between the Department and recipients.

Several metrics were analyzed, including the number of unique monthly visitors. This metric is an approximate indicator of the number of individuals visiting a website. Other metrics were also analyzed, including the number of visitors and the amount of time spent at each website. The complete website traffic analysis report is contained in Volume II—Annex D.

This analysis was challenging.²³ Based on the review of submissions from funded organizations, the method used by the Department to solicit website traffic statistics did not lead to consistent reporting across the sites, both in terms of metric definitions and scope of coverage. The submissions were in multiple formats, with some sites not reporting at all and others reporting only for a few time periods. This is largely due to the fact that the Department considers a project to be closed once the funded organization has launched the website. There currently is no enforcement of the clause in the funding agreement requiring recipients to supply website traffic reports. The issue of inconsistent reporting on the usage of CCOS-funded websites is an important one, and needs to be resolved. This subject is discussed further later in this report and in the evaluation recommendations.

Note that the data available for PCH-administered sites (Culture.ca, Culturescope.ca and the VMC portal) was much more complete.

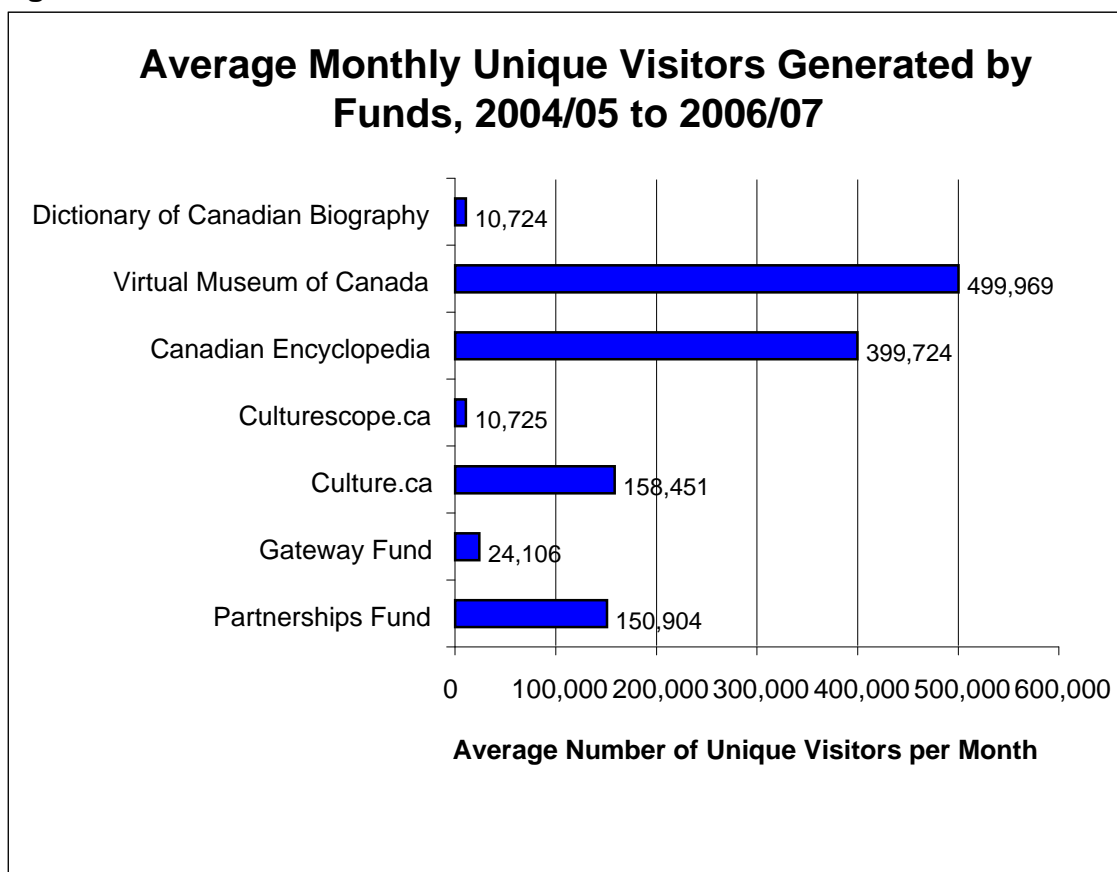
Overall, the results of the analysis reveal that the various CCOS funding programs have led to significant traffic during the 2004-05 to 2006-07 timeframe (Figure 2). Combining the number of unique visitors across the various programs, on average, close to one million visitors accessed the websites on a monthly basis over the three-year period.²⁴ For 2006-07, this figure increased to about 1.6 million. Note that these figures should be considered as very rough estimates and should be used only for analyzing trends over time.

Comparing the various CCOS funds/programs, the sites and exhibits funded by the VMC (including the Community Memories and Virtual Exhibits Funds) generated the most traffic on a monthly basis between 2004-2005 and 2006-2007. The Canadian Encyclopedia was also accessed by a large number of visitors, with an average of close to 400,000 unique visitors per month throughout the time period.

These estimates do not include the many websites created by the Canadian Memory Fund, as data for the three-year period was not available for all websites within PCH. However, the evaluation team did obtain website data for one of the major projects, the CBC Digital Archives, directly from the CBC. This site had an average of 467,151 monthly unique visitors in 2006-07. For the Dictionary of Canadian Biography, data on unique visitors was available only for part of 2004-05; however, other available data (on the number of visits) indicates that the volumes for the subsequent two years have grown.

²³ As this report was being finalized, website statistics submitted to PCH by a number of sites funded by the Partnerships Fund were still being reviewed for inclusion in this analysis. However, the inclusion of these sites would have no material impact on the overall results presented in this section. The inconsistent nature of these submissions underscores the need for a more reliable web traffic measurement process for the funded sites. This subject is addressed in the study recommendations.

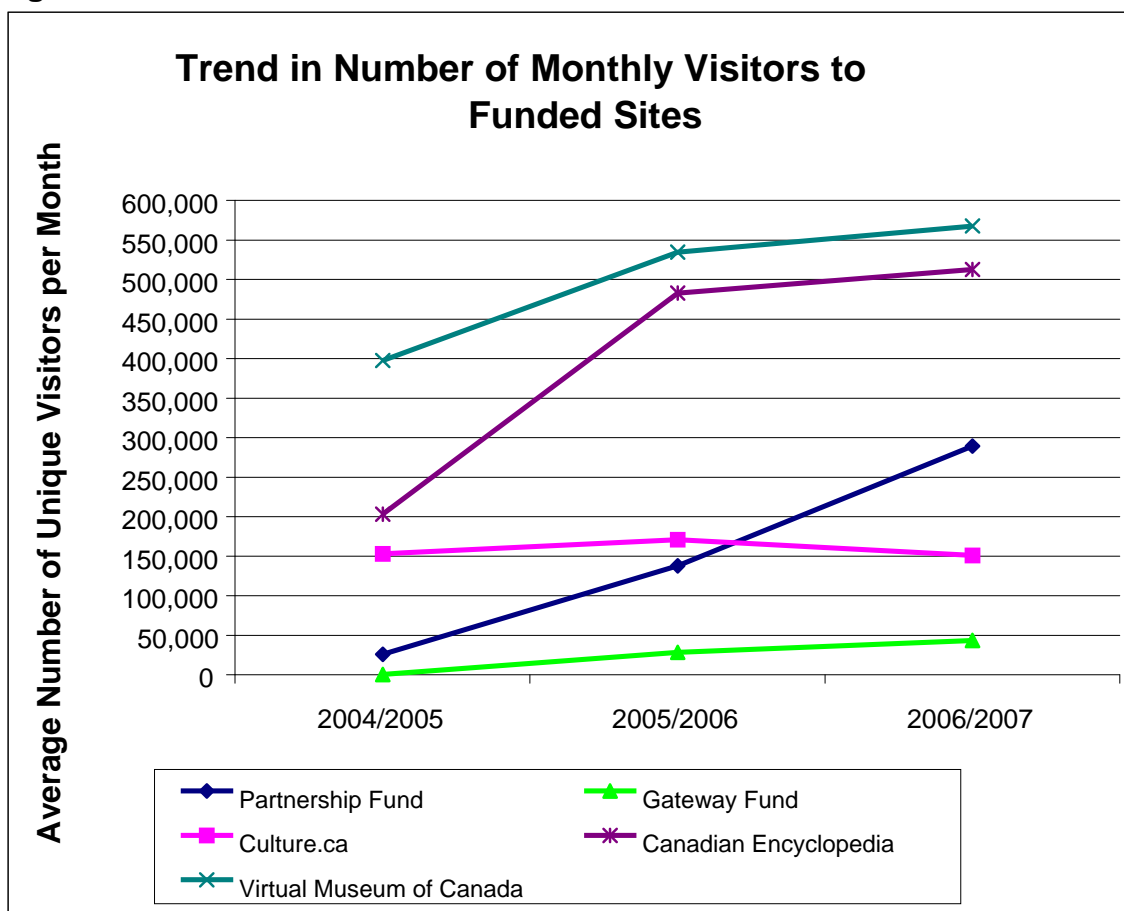
²⁴ It should be noted that the extent to which visitors overlap among the many websites is unknown; therefore, the total number of unique visitors for the CCOS as a whole is probably somewhat lower.

Figure 2

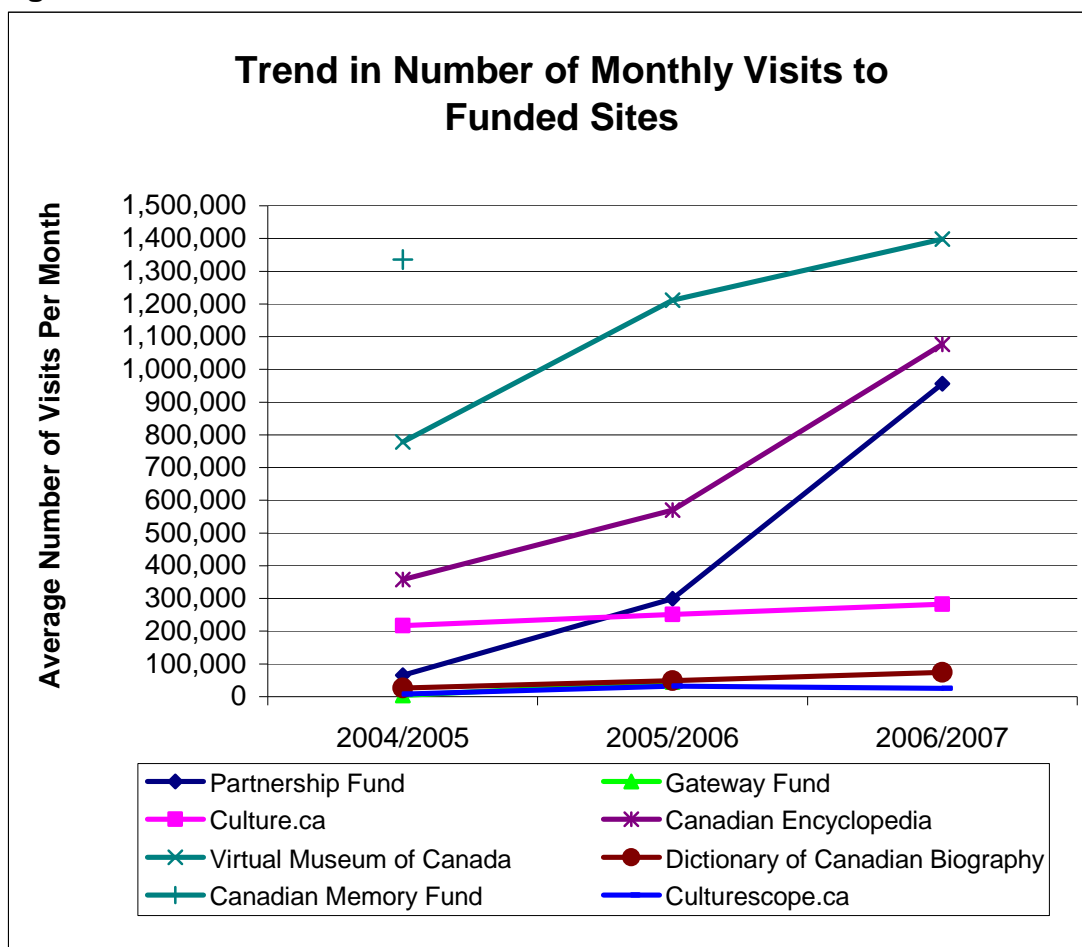
It is important to note that the sites funded under the different initiatives vary in terms of the intended audience, which in turn affects the ability to draw large numbers of visitors. In particular, the Partnerships Fund, Gateway Fund and Culturescope.ca cover more narrowly-targeted sites, either based on the audience-specific nature of the content (e.g., cultural researchers in the case of Culturescope.ca), or the local/regional geographic coverage of the content (e.g., a site devoted to the history of a particular community), or the subject-specific nature of the content (a particular First Nations group). PCH indicated that based on its own analysis, Culturescope.ca had a high loyalty rate (in the range of 70 per cent), due to its groups and regular communications with members.

In addition to generating significant traffic, Figure 3 indicates that traffic to the funded sites has grown overall between 2004-2005 and 2006-2007, with the Partnerships Fund, Canadian Encyclopedia and VMC exhibiting the highest rates of growth. While Culture.ca has maintained a relatively high level of monthly traffic, it does not appear to have expanded its reach over this time period. The Department noted that early during its launch year, Culture.ca had to suspend its leveraged advertising campaign, and in subsequent years Government policy restricted the amount of marketing and promotion that could be done.

Figure 3



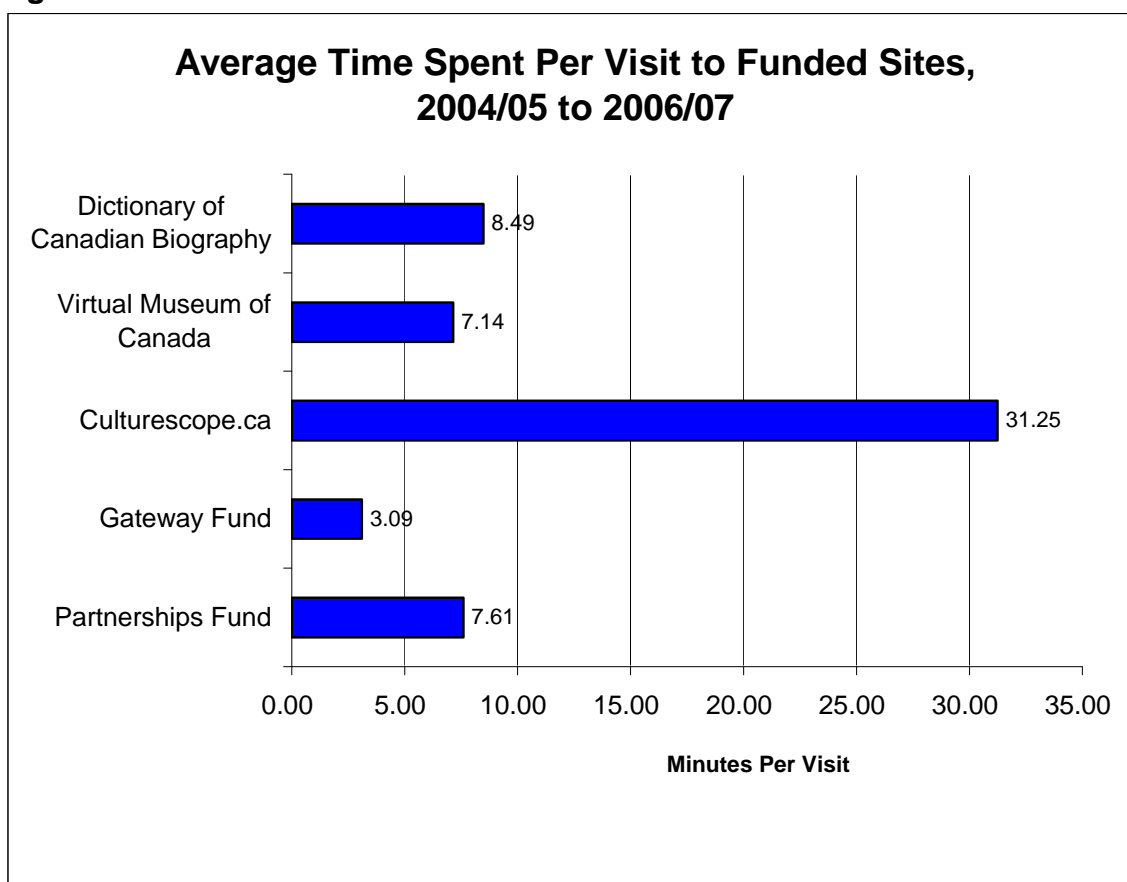
As shown in Figure 4, growth rates in the number of visits to the sites demonstrate that they are having an impact not only in terms of their reach, but also the number of times that these visitors come to the sites. In a number of cases, the rate of growth of visits to the sites exceeded growth in visitors. In other words, more people were coming to the sites more often.

Figure 4²⁵

Finally, Figure 5 shows the average time spent per visit on the sites funded by the various CCOS components/funds.²⁶ Although Culturescope.ca did not generate substantial traffic compared to the other CCOS components, it is by far the “stickiest” of all of the sites, with the average visit lasting more than a half hour. This is likely due to the research nature of the site and its target audience (researchers).

²⁵ Data for the Canadian Memory Fund were not available for this analysis. For the Gateway Fund, data were available for the first two years only.

²⁶ Data for Culture.ca, the Canadian Encyclopedia and Canadian Memory Fund were not available for this analysis.

Figure 5

c) Development of Canada's new media cultural sector

The present evaluation did not examine this third objective of the CCOS, as the main component that supports this objective is the Canada New Media Fund (CNMF), which was evaluated previously in 2006. The following paragraphs summarize the findings of the evaluation regarding this objective.

The Canada New Media Fund was launched in 2001. For the new media sector, the subsequent years were a time of unprecedented turmoil, innovation, and change. Major stock market indices peaked in March 2000, before commencing a decline of 40 per cent over the balance of the year – a decline which continued through 2001, and into the latter months of 2002. The resulting contraction of the sector led to a rash of bankruptcies, massive layoffs throughout the industry and losses for investors – events captured by the phrase “dot-com bust.”

Following the bursting of the bubble, companies in Canada's new media sector have consistently stated that raising capital is a major hurdle to success – a view that once again was confirmed by the CNMF evaluation study. By providing financial assistance to companies in this sector, the Canada New Media Fund has been one constant in a rapidly shifting environment. Companies that had benefited from CNMF support over the past several years emphasized that the funding received has been important to the success of their companies and to the sector as a whole. Most of the projects financed by the CNMF would not have been undertaken in the absence of the program.

Summary – Achievement of immediate and intermediate outcomes – The CCOS had three central objectives: creation of online cultural content; providing access to that content; and supporting the development of Canada's new media industry. Over the 2001-02 to 2006-07 timeframe, the CCOS supported the creation of an enormous amount of online Canadian culture content. A total of 1,201 projects were funded, at a total cost of \$130.6 million. The evaluation concluded that the CCOS has been highly incremental: in the absence of the CCOS, there likely would be much less Canadian cultural content available online today. Over the three year period 2004-05 to 2006-07, increasing numbers of visitors accessed the many CCOS-funded websites, reaching roughly 1.6 million monthly unique visitors in 2006-07. The CCOS-funded websites with the largest traffic include the VMC portal, the Canadian Encyclopedia and the CBC Digital Archives. Finally, a previous evaluation of the Canada New Media Fund concluded that the funding received by companies over the years has been important to the success of these companies and to the sector as a whole.

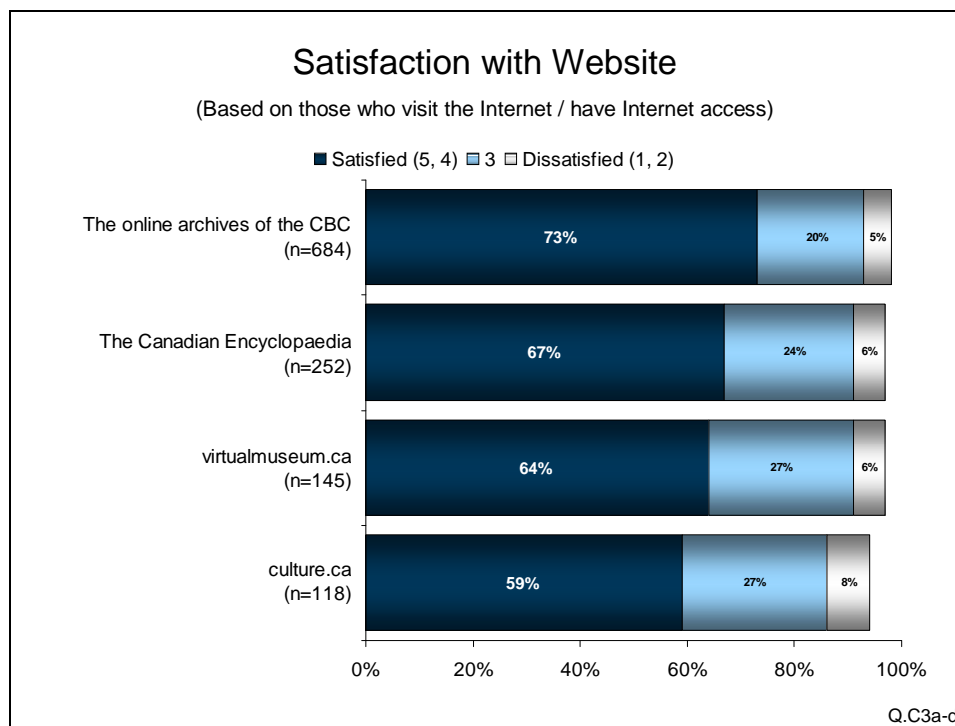
2.2.2 Achievement of longer-term outcome

The intended longer-term outcome of the CCOS is, "Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm."

As discussed earlier, increasing numbers of Canadians have visited the various CCOS-funded websites over the 2004-05 to 2006-07 timeframe. In 2006-07, an estimated 1.6 million unique visitors accessed these websites on a monthly basis.

Limited information is available on the benefits to Canadians from the CCOS-funded websites. The POR survey commissioned as part of the evaluation study found that Canadians have a fairly high level of satisfaction with the major CCOS-funded websites, as shown in Figure 6. The level of satisfaction ranges from 73 per cent for the CBC Digital Archives to 59 per cent for Culture.ca.

Figure 6
Level of satisfaction with CCOS-funded websites (POR survey)



As discussed earlier, several of the CCOS components have shown growth in the number of visits to the websites over time, which indicates that more people have been going to the sites more often. This is another indicator of user satisfaction.

As described earlier, a primary target audience for many of the CCOS-supported websites is the educational system (i.e., teachers and students). PCH has not collected any quantitative data on the use being made in the school system for the CCOS as a whole. For the departmentally-administered websites, such as Culture.ca, PCH has commissioned visitor pattern analytic studies that have identified students and teachers as an identifiable user group. As discussed in Section I, the scope of the evaluation study did not include a survey of the educational system. This issue would therefore require further research.

Summary – Achievement of longer-term outcome – The CCOS does not track data on the numbers of Canadians visiting all of its funded websites. However, based on an analysis of the website traffic reports submitted by recipients to PCH, it appears that the CCOS made progress towards achieving its longer-term outcome: “Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm.” In 2006-07, roughly 1.6 million unique visitors accessed these websites on a monthly basis, and the traffic has increased over the years. The Department should conduct further research on whether the many CCOS-funded websites are being used in the educational system.

2.2.3 *Unintended impacts and effects*

The subject of unintended impacts of the CCOS was discussed during the interviews with key informants and cases study organizations. CCOB also conducted a separate study, involving roundtables with Partnerships Fund and Gateway Fund recipients, and the following text incorporates the main findings of this other study.

Several key informants emphasized that by participating in CCOS projects they had formed important *new partnerships*. For example, some of the Partnerships Fund recipients stated that they have been exposed to other types of expertise and had formed useful contacts in the world of the Internet and information technology firms. On the other hand, some recipients found it challenging to form partnerships and maintain them during the funding period. One recipient noted that the partner did not fulfil its contractual obligations and the relationship had to be terminated. Another recipient, an art gallery carrying out its very first project on Aboriginal culture, found it a difficult experience, noting that it had never worked with an Aboriginal group before.

The Department noted that the VMC has significantly leveraged CHIN's relationship with member museums. Membership has grown from 600 institutions in 2001 to more than 1,300 in 2007-2008. Member museums voluntarily contribute information that is showcased in the VMC including: collections-level descriptions of their institutions, information concerning current events and activities; and images of objects in their collections. The Image Gallery has grown from 200,000 images to almost 650,000 since the VMC was launched.

The CCOS has had a significant *capacity-building* impact on cultural organizations. They noted they had learned a lot about the Internet and how to design effective cultural content websites. Some key informants noted that the detailed accounting and reporting requirements associated with the various funding agreements had helped to improve their organization's project management capabilities. The roundtables also found that the projects had helped to build organizational capacity; for example, they mentioned the positive impacts in terms of transferring capacities through the funded projects to other projects in the organization, and the great training opportunities that had been provided.

Most of the CCOS website development projects involved the use of outside web design consultants. Thus the considerable investment made by the CCOS over the years has undoubtedly help to support Canada's web design industry.

Another theme of the roundtables was the impact of the projects on internal and external *participation*. The various projects had greatly encouraged the participation of various types of communities (local but also ethnocultural, linguistic, school and university-based, etc.).

An issue raised by several funding recipients pertained to the impacts of funding delays and the short funding period. These prevented some partnerships from being established because the project timeline did not fit with partner or community timelines. For example,

some recipients had partners lined up for their projects but by the time they received CCOS funding, the partner was no longer available.

Another issue raised by many recipients is that the technical standards required by the Department did not seemingly permit sufficient flexibility to allow the development of more innovative websites that would have encouraged greater popularity (i.e., more visits, visibility, etc.).

A final theme was *outreach*. Many recipient organizations take advantage of their projects to participate in events in Canada and abroad to promote their websites. On the other hand, as noted later in this report, the limited timeframes of projects reduce the amount of promotion that can be undertaken.

Summary – Unintended impacts – The CCOS has had a variety of unintended impacts – both positive and negative. Recipient organizations noted several positive impacts as a result of carrying out their CCOS projects: 1) the formation of new partnerships and networks; 2) organizational capacity-building; 3) increased participation, both internal and external; and, 4) increased outreach. Some of the negative impacts were that partnerships could be difficult to establish and maintain; the technical standards required by the Department had seemingly inhibited the development of innovative websites in some cases; and, the limitations on the length of projects meant that insufficient website marketing and promotion could be undertaken.

2.2.4 Performance measurement

This evaluation issue concerns the availability of ongoing results-based information on the CCOS and whether results-based information is being reported to Parliament and to all Canadians. As noted earlier, the measurement of the results of the CCOS is challenging, given the complexity of the program.

The evaluation study examined whether any results information is being collected on funded projects and whether this information is “rolled up” in a regular performance report for the CCOS as a whole.

Organizations that are recipients of CCOS funding for building cultural websites (e.g., under the Canadian Memory Fund, Partnerships Fund and Gateway Fund) are supposed to submit regular reports containing website traffic data (e.g., for three years following project completion). This requirement is specified in the various funding agreements. However, a review of a sample of funded projects found that this information is not being provided consistently. For some projects, no data is available; for many others, the data is spotty, i.e., it is available for only a few months over a period of several years. And for one major component, the \$80 million Canadian Memory Fund, no detailed data (for each project, by year) could be provided to the evaluation team, since it apparently has not been submitted from all recipients (federal departments and agencies). In addition, the requirements regarding the data to be provided are not consistent from component to component, which means each recipient is submitting data in a different way. This makes it difficult to roll up

data across projects, to permit analysis at the component level and for the Strategy as a whole.

A basic problem is that reporting by recipients is, in effect, voluntary. Once the project has been completed and the final payment issued, the Department has no leverage to ensure recipients submit their reports. Another issue is that even where a particular recipient has submitted the website traffic data, they are not sure whether this data is being used. As some recipient organizations stated, *“I have to submit detailed website traffic reports on a regular basis, but I get no feedback on these reports and I have the impression that they are not used.”* Overall, the emphasis appears to be on ensuring the projects get completed as planned and that the recipient’s expenditures are carefully monitored, rather than on whether the projects make a difference to Canadians, in terms of their access to online cultural content.

The CCOS does not appear to have any formal process for ongoing performance measurement and for reporting to Canadians on the progress being made in achieving its long-term objectives. For example, an annual performance report for the CCOS is not prepared. A performance measurement framework does not exist (while an RMAF was prepared for the CCOS, it has too many indicators and program management indicated that it was not a useful tool for the purposes of ongoing performance measurement). Other PCH programs, such as the Canada Music Fund, do prepare such reports. In addition, little useful information on CCOS results is provided in the annual departmental performance report, which is the main vehicle used by government departments to report on results to Canadians.²⁷

Some of the individual CCOS components have undertaken studies that provide evaluative and performance-related information, which is used for operational improvement purposes. For example, VMC and Culture.ca have undertaken a variety of visitor pattern analytic studies and user needs studies.

In order to solve the problem of obtaining website traffic data from each funded website, a better approach would be to require funding recipients to incorporate web analytics on each website (specifying the type of data required and the form of that data), and to provide the Department with access to the collected website traffic data. This would permit the program to track and consolidate website traffic on an ongoing basis. The program would be able to report, for example, that *“in the past month, X million unique visitors visited the CCOS websites, an increase of X per cent over the same month in the previous year.”*

²⁷ The 2006-07 PCH DPR has a few paragraphs devoted to the CCOS; see pp. 56-57, available at: <http://www.tbs-sct.gc.ca/dpr-rmr/2006-2007/inst/pch/pch-eng.pdf>. The number of visits is reported for a handful of sites, but no trend information is provided. No targets are specified. No data is provided on the number of monthly unique visitors or on the usage being made of the CCOS in the school system. The CCOS performance summary in the DPR does not meet the Government’s standards for good performance reporting.

Summary: Performance Measurement – Little results-based performance information is available for the CCOS as a whole, as a regular performance report is not prepared. A pertinent indicator would be the number of Canadians who access the various CCOS-funded cultural content websites each month. Although funding recipients are supposed to provide regular reports on website traffic, few recipients are doing so on a regular basis, and the Department has no way of ensuring compliance. Going forward, an alternative, more effective approach would be for recipients to install common web analytic software on their websites, which the Department would access, thereby enabling regular performance reports to be prepared and published. As a first step, a performance measurement framework needs to be developed for the CCOS and each of the funding programs, which would identify the appropriate results-based performance indicators.

2.2.5 Supporting commitments under the Official Languages Act

In developing the CCOS strategy in the late 1990s, the Government noted that although there had been an overall increase in the amount of French-language digital cultural content in recent years, the Internet was a predominantly English-language space. This disparity could make it difficult for French-speaking Canadians to find online cultural content in French. The CCOS intended to address this disparity by ensuring that at least 50% of the content in projects supported was to be available in French.²⁸

On this basis, it is important to note that there was a consensus among key informants and case study organizations that the CCOS had definitely contributed to increasing the amount of French-language cultural content available online. This issue was especially important for Francophones outside of Quebec, e.g., in Ontario and New Brunswick, where the feeling of “drowning in a sea of English-language material” is most acutely felt. It was also noted that the availability of Canadian materials in French online had opened doors and relationships to the larger “francophonie,” i.e., the global French-speaking community.

In fiscal year 2007-08 alone, the CCOS supported 92 projects that were either French-language content only or in both official languages, and 10 of these projects (funded by the Partnerships Fund) were developed by organizations representing official language minority groups. These projects have not only created more cultural content online but have also developed new creative alliances among Francophone communities in New Brunswick, Quebec and in the Nunavut, which recipients believed would not have happened in the absence of CCOS funding. And in a survey undertaken in 2006 by Decima Research on behalf of the Department of Canadian Heritage, 51.9 per cent of francophone respondents felt there was now more French-language information available on the Internet.²⁹

²⁸ Department of Canadian Heritage, “Canadian Culture Online Strategy Statement”.

²⁹ Attitudes et perceptions à l’égard des langues officielles, Enquête d’opinion publique réalisée par PCH/Décima Research pour le compte du Ministère du Patrimoine canadien, 23 mai 2008.

The Culture.ca and VMC portals also participated in this commitment, by promoting French, English and bilingual websites through different features. The Department noted that this efforts have been highlighted by the Commissioner of Official Languages. Among some Canadian Memory Fund recipients, frustration was expressed that certain types of projects (museum projects, aboriginal projects) did not lend themselves easily to translation, although translation was a contractual requirement, and they stated that perhaps only the search tools needed to be in both languages. For other CCOS funds, there is no contractual obligation, but translation is an eligible expense: it is recognized that some sites are not necessarily bilingual or fully bilingual.

Representatives of both the Government of Quebec and the Government of New Brunswick noted that without the CCOS funding programs, there would be far less French-language cultural content available on the Internet. They considered the CCOS to be crucial. They also understood that given the limited resources available, they stressed the need to ensure that the commitment to ensuring French-language projects are funded be maintained as a priority.

A major challenge for the CCOS going forward likely will be pressure from multicultural groups who want to see their material available online in the language of origin. At this point, these recipients felt that the CCOS funds had only touched “the tip of the iceberg” in terms of the multicultural communities. Several museum representatives commented that they are struggling with developing content of relevance to multicultural communities who are not currently being well served, by either the physical museum or by their websites.

In March 2008, the Commissioner of Official Languages released a report that examined federal government support for arts and culture in official language minority communities.³⁰ The report suggests that given the many challenges that the Department of Canadian Heritage and its agencies face in terms of fostering the arts and culture among Canadian official language minority groups, the Department had performed well. The report was filled with research and constructive recommendations. However, it is interesting to note that the scope of the study indicates that projects such as those that were aimed at putting Canadian culture online were specifically excluded because they were not seen as “directly affecting artists.” Based on our interviews, it was clear that official language minority community recipients felt that CCOS-funded projects broadened their reach and, therefore, did benefit community artists. By taking this approach, the full scope and impact of Canadian Heritage in terms of Canada’s official language minority communities are not truly reflected in the Commissioner’s report. It would seem that going forward, the projects funded by programs such as the Partnerships Fund should be recognized as having great potential to play a key role in assisting the Department and the Government in terms of facilitating support for arts and culture among official language minority group communities.

³⁰ Office of the Commissioner of Official Languages, *Federal Government Support for the Arts and Culture in Official Language Minority Communities*, March 2008; available at: http://www.ocol-clo.gc.ca/html/stu_etu_032008_e.php.

Summary: Supporting commitments under the *Official Languages Act* – The CCOS has played an important role in contributing to the Department’s commitments under the *Official Languages Act*. The CCOS has definitely contributed to an increased availability of French-language online cultural content. In 2007-08, the CCOS supported some 92 projects that were either French-language content only or in both official languages, and 10 of these projects were developed by organizations representing official language minority groups.

2.3 Cost-Effectiveness/Alternatives

2.3.1 Cost effectiveness

As a result of the new federal *Accountability Act* passed by Parliament in December 2006, Treasury Board Secretariat requires all program evaluation studies to assess the overall “value-for-money” or return on investment of the program being examined.

Assessing the cost-effectiveness of cultural programs is a challenge, given the difficulty of finding a suitable quantitative metric(s) pertaining to the overall strategic outcome of the program. And, as noted in Section I, this is particularly true for the CCOS, given its many funds and activities and multiple objectives.

The overall strategic outcome of the CCOS is “Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm.” As implied in the CCOS logic model (presented in Section I), this outcome has two elements, access and value to users.

In the case of the CCOS-supported websites, one measure of access is the number of unique users who visit these websites. The available website traffic data include the number of unique visitors on a monthly basis for some of the CCOS-supported websites. The number of monthly unique visitors has emerged as a standard worldwide for assessing audience reach of websites.³¹

As discussed earlier in Section 2.2.1, increasing numbers of Canadians are accessing some of the CCOS-funded websites. In 2006-07, an estimated 1.6 million unique visitors accessed these websites (note that this includes all visitors, regardless of country of location). Some of the websites, including the VMC portal, the CBC Digital Archives and the Canadian Encyclopedia, have substantial monthly traffic figures, as discussed earlier. One measure of cost effectiveness is a comparison of costs incurred in developing the CCOS websites with the audience reach (monthly unique visitors). This measure is termed “cost per visitor.” As noted earlier, data were available for the three-year period 2004-05 to 2006-07 and we calculated the average number of monthly unique visitors for this time period.

³¹ The Joint Industry Committee for Web Standards (JICWEBS) has developed a set of metrics for measuring electronic media. For the measure of audience reach (“how many”), the standard is “unique users.” For further information, see: http://www.abce.org.uk/cgi-bin/gen5?runprog=abce/abce&type=page&p=metrics.html&menuid=about_abce|metrics.

In terms of costs, in the case of the Partnerships Fund and the Gateway Fund, the Government's investment was the one-time expenditures in each website project. For the VMC, the costs included both the costs of individual online exhibits, as well as the cost of the VMC portal. For Culture.ca and Culturescope.ca, the costs were the annual PCH costs incurred in developing and maintaining these websites. For the Canadian Encyclopedia, the Government's investment was the annual licensing fee (the Dictionary of Canadian Biography is not included in the analysis, due to the unavailability of usage data for all three years). These costs were provided by PCH for each of the funds/websites in the sample, and the costs were summed for the three-year period.

The cost per visitor for each of the CCOS funds/websites is summarized in Table 5. The Canadian Encyclopedia has the lowest cost per visitor, followed by the VMC. The highest cost per visitor is for Culturescope.ca, followed by the Partnerships Fund.

Table 5
"Cost per visitor" for selected CCOS funds/websites

CCOS Fund/Website	Total CCOS Expenditures 2004-05 to 2006-07	Average Monthly Expenditures	Average Monthly Unique Visitors 2004-05 to 2006-07	Cost per Visitor
Culture.ca	\$14,548,154	\$404,115	158,451	\$2.55
Culturescope.ca	\$1,326,846	\$36,857	10,725	\$3.44
Gateway Fund	\$2,152,988	\$59,805	24,106	\$2.48
Partnerships Fund	\$18,528,818	\$514,689	150,904	\$3.41
Virtual Museum of Canada	\$21,600,000	\$600,000	499,969	\$1.20
The Canadian Encyclopedia	\$3,200,000	\$88,889	399,724	\$0.22

Summary: Overall cost effectiveness – The overall strategic outcome of the CCOS is, “Canadians have increased their access to, and have benefited from diverse Canadian cultural products and experiences in the digital interactive realm.” One measure of cost effectiveness is the ratio of the Government’s investment in the funded websites to the audience reach of these websites, measured by the number of monthly unique visitors. Over the three-year period examined, increasing numbers have visited the CCOS-funded websites, reaching a rough estimate of 1.6 million monthly visitors in 2006-07. One measure of cost effectiveness is “cost per visitor,” which is the ratio of the costs incurred in developing/maintaining the CCOS websites to the audience reach (monthly unique visitors). The website with the lowest cost per visitor (\$0.22) is the Canadian Encyclopedia followed by the VMC (\$1.20).

2.3.2 Administrative efficiency

As shown earlier in Table 2, the total CCOS expenditures over the six-years covered by the evaluation were \$340.8 million. Administrative costs totalled \$21.7 million over this period, or 6.4 per cent.³² This administrative cost ratio compares favourably with other PCH programs in the cultural industries that involve project-based funding. Project-based funding programs are more expensive to administer due to the costs associated with the project selection process (e.g., use of peer review committees), administering contribution agreements, etc. The administrative cost ratios for some other programs in 2006-07 were as follows:

- Canadian Feature Film Fund, administered by Telefilm Canada: 10.0 per cent.³³
- Canadian Television Fund, administered by the CTF: 5.8 per cent.³⁴
- Canada New Media Fund, administered by Telefilm Canada: 14.0 per cent.³⁵
- Canada Music Fund, administered by PCH and third-party administrators: 15.0 per cent.³⁶
- Canadian Film or Video Production Tax Credit, administered by PCH: 2.4 per cent.³⁷ (Note that this program is simpler to administer; e.g., all applications that qualify are accepted, there is no peer review process, there are no contribution agreements to administer and no cheques to process, etc.)

Summary: Administrative efficiency – Over the history of the CCOS, the administrative cost ratio has been 6.4 per cent, which compares favourably with other PCH programs that administer project-based funding.

³² Note that the expenditures and administrative costs are for the entire CCOS; that is, they include the CNMF and other programs that no longer exist. The department does not have an activity-based costing system that would permit administrative costs for individual programs to be identified.

³³ Telefilm Canada, *2006-07 Annual Report*, p. 67.

³⁴ Canadian Television Fund, *Annual Report 2005-06*, p. 6.

³⁵ Telefilm Canada, *2006-07 Annual Report*, p. 67.

³⁶ Department of Canadian Heritage, *Evaluation of the Canada Music Fund*, prepared by Kelly Sears Consulting Group, August 30, 2007.

³⁷ Kelly Sears Consulting Group, *Evaluation of Canadian Film or Video Production Tax Credit*, prepared on behalf of Canadian Heritage, April 2008.

2.3.3 CCOS target groups and users and meeting their needs

This evaluation issue includes the following questions:

- Does the CCOS have clearly defined target groups?
- Are the targeted groups being reached and have their needs been met?
- Who are the users? What is their profile? For what purposes do they use the CCOS?

a) Does the CCOS have clearly defined target groups?

Due to its multi-faceted nature, the CCOS has a broad range of targeted groups (funding recipients) and beneficiaries. These are summarized in Table 6. The targeted groups are clearly specified in various program documents, such as the application guidelines.

According to the CCOS RMAF, the main targeted clientele is the cultural sector, including federal, provincial, municipal and local cultural public institutions, as well as private organizations and not-for-profit institutions (e.g., universities) involved in the creation and delivery of cultural content.³⁸

³⁸ Samson & Associates, *Canadian Culture Online (CCO): Integrated Results-based Management and Accountability Framework (RMAF) and Risk-based Audit Framework (RBAF)*, prepared for Department of Canadian Heritage, undated, pp. 10-12.

Table 6
CCOS Recipients and Beneficiaries³⁹

CCOS Component/Fund	Targeted Recipients	Beneficiaries
Canadian Memory Fund	Federal organizations, such as Library and Archives Canada, CBC, National Film Board	General public, particularly youth
Culture.ca	--	General public
Culturescope.ca	--	Cultural policy researchers
Partnerships Fund	Not-for-profit cultural organizations, public educational institutions, First Nation Bands, local and provincial government agencies	Youth, students and life-long learners
Gateway Fund	Aboriginal communities (e.g., not-for-profit organization, First Nations band) Ethnocultural communities (e.g., not-for-profit organization)	General public
Canadian Works of Reference Licensing	Publishers of authoritative references works (currently two universities and a not-for-profit foundation)	Educational system, researchers
Virtual Museum of Canada	Canadian museums that are members of CHIN	General public, youth and life-long learners
New Media Research and Development Component	Post-secondary institutions, SMEs, non-governmental research institutes, and not-for-profit cultural organizations	New media companies, cultural organizations

b) Are the targeted groups being reached and are their needs being met?

PCH was not able to breakdown the funding provided to the various targeted groups, which prevents an analysis of the extent to which each group is being reached by the program.

Regarding the question about whether the needs of the targeted groups are being met, the survey of CCOS funding recipients and non-funded applicants included a question about their level of satisfaction with the CCOS. As shown in Figure 7, the overall level of satisfaction of recipients is very high (85 per cent were satisfied), whereas only 26 per cent

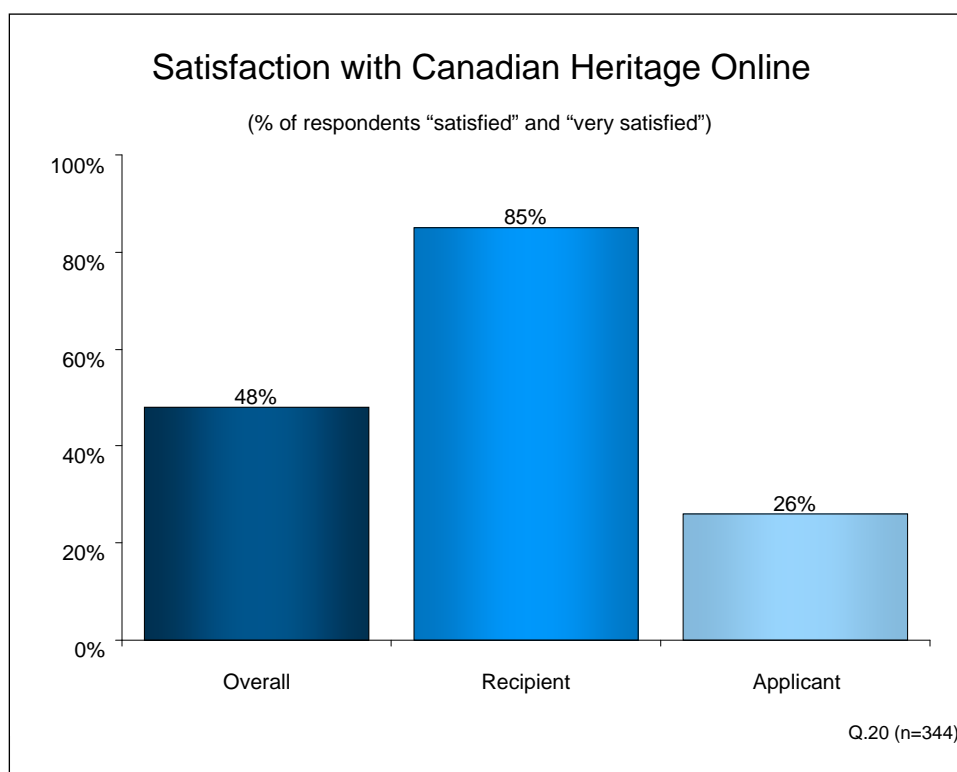
³⁹ Information on recipients is taken from the CCO RMAF, while information on beneficiaries is drawn from application guidelines and the key informant interviews.

of applicants were satisfied. These results are similar to the findings of other evaluations of PCH programs, i.e., organizations that are unsuccessful in applying to a government program tend to be dissatisfied with the particular program.

Among non-funded applicants, the survey found that the main two areas of dissatisfaction were with the amount of feedback received on their application (only 23 per cent were satisfied) and the appropriateness of the eligibility criteria (26 per cent were satisfied).

Although recipients were very satisfied overall, one factor that received a somewhat lower level of satisfaction was “reporting requirements” (61 per cent were satisfied, 23 per cent were neutral, and 11 per cent were dissatisfied). The issue of reporting burden was raised frequently during the key informant interviews.

Figure 7
Level of satisfaction with CCOS (survey results)



c) Who are the users and are their needs being met?

The ultimate beneficiaries of the CCOS include the Canadian public, youth, life-long learners and the Canadian educational community. Again, no breakdown is available from PCH for each component on the numbers of beneficiaries and the funding targeted to each group.

Limited information is available on whether the needs of users are being met. As discussed earlier in the section dealing with website traffic trends, in a number of cases, the rate of

growth of visits to the sites exceeded growth in visitors. In other words, more people were coming to the sites more often, which is an indicator of user satisfaction.

Some key informants noted that the CCOS had invested tens of millions of dollars in websites targeted to teachers and students, with the goal of integrating the content into school curricula. But some wondered if any of these websites are actually being used and very few key informants had any hard information on this question. They noted that each site had been developed independently, with each organization attempting to figure out how to present content in a way that would be of interest to teachers and students. As noted earlier, some of the PCH-administered websites, including the VMC portal and Culture.ca, have conducted website visitor analytic studies that provide information on the users of these websites. CHIN reported that the VMC websites that target the educational system, including the “Teachers Centre” and “Agora”, have significant traffic. PCH noted that Culture.ca’s “teachers section” had significant traffic, and Culturescope.ca had significant reach within universities in Canada and abroad.

According to a researcher who was interviewed, a Master’s thesis funded by the Social Sciences and Humanities Research Council on the CBC Digital Archives (which received over \$12 million in funding under the Canadian Memory Fund) found that this website had virtually no penetration in the school system.⁴⁰ Penetrating the school system with online educational products faces a number of hurdles, including insufficient hardware and software in many classrooms and the reluctance of some teachers to modify longstanding lesson plans to adapt to Internet-based learning.

Summary: CCOS target groups, users and their level of satisfaction – Due to its multi-faceted nature, the CCOS has a broad range of targeted clientele and ultimate beneficiaries, including the Canadian public, youth, life-long learners and the Canadian educational community. Overall, funding recipients are highly satisfied with their interaction with the CCOS. Very limited information is available on whether the needs of users/beneficiaries are being met. It is difficult to assess whether the many CCOS-funded websites are being used in the educational system to help Canadian school children to learn about Canada’s culture, history and heritage. This subject would require further research.

2.3.4 Governance and delivery mechanisms

As discussed earlier, very few informants were able to comment on the overall CCOS design/delivery model, since few were familiar with the overall strategy. The overall view from the key informant interviews is that the overall CCOS strategy is difficult to comprehend and the various CCOS components/funding programs are isolated from each other.

A variety of specific issues concern the design of the various funds that support the creation of online exhibits. One of the museums interviewed had received funding from both the

⁴⁰ Nancy L'Étoile. *Fonds Mémoire canadienne sous observation: Analyse des modalités d'intégration en milieu scolaire*, Thèse de maîtrise inédite, Université d'Ottawa, 2007; available at: http://cite.com.umontreal.ca/Site_Internet_Cite/Publications/NancyLEtoile.pdf.

VMC Virtual Exhibits Program and from the Partnerships Program for what appear to be similar projects. This raises the question of why clients are required to interact with two funding programs in two different parts of the Department.

Another funding recipient, a large art gallery, noted that it had received funding under the Partnerships Fund to develop an online exhibit but that this exhibit is not part of the VMC portal, since the VMC had not funded it. This further supported the view that the CCOS consists of funding programs that are not well connected to each other.

Some confusion also exists between the Gateway Fund and Partnerships Fund. One key informant who specializes in Aboriginal culture and had received funding on multiple occasions from the Partnerships Fund was surprised to learn during the interview that the Gateway Fund exists, which is focused on Aboriginal culture.

These examples suggest that some of the CCOS funding programs may not be sufficiently distinct.

Several PCH managers stated that the governance of the CCOS could have been better structured. They stated that when the CCOS was first designed and implemented, the ADMs of the three PCH Sectors participating in the CCOS met a few times to discuss governance issues and the distribution of funding. Since 2005, however, the ADM-level working group has not existed, and was replaced by a DG-level steering committee. PCH managers stated that had an ADM-level working group existed, this might have helped to better integrate the many CCOS activities.

Some PCH managers also noted the issue of double accountability: i.e., managers responsible for individual CCOS funds from branches outside the Cultural Affairs sector must report both to the CCOB as well as to their own Branch ADMs.

Key informants outside of PCH had only a few comments about the governance of the CCOS, as most were able to comment only on the particular CCOS component that they had participated in, either as a recipient or as a member of an advisory board or project selection committee.

Some noted that individual parts of the CCOS had advisory boards (such as for Culture.ca, Culturescope.ca and VMC) but that the overall strategy could have benefited from such a board. (As noted in Section I, the CCOS did have a national advisory board in earlier years, but it was disbanded in 2004.)

Some members of the individual component advisory boards were interviewed, and the comment was made that each advisory board operates in isolation, and there would be a benefit from bringing the various advisory boards together (e.g., an annual meeting). CHIN was given particularly high marks for engaging its clientele to jointly develop its strategies for the museum community. A few key informants noted that they had participated in a strategy session organized by CHIN that discussed the future of the VMC

Investment Programs and the impacts of technological changes. CHIN was given very high marks for its efforts to dialogue with its clientele.

Outside of CHIN and the VMC, the “rest of the CCOS” was viewed as having less well-developed stakeholder consultation strategies.

Note that there are some other examples of good governance. Over the years, CCOS management made decisions to discontinue certain activities and programs that were viewed as less successful or no longer required. The New Media Research Networks Fund was given high marks for its project selection process. An outside consultant conducts a technical evaluation of each completed project. The VMC has implemented an on-line application process and has a project management system (e.g., to track the scores given to applications by the review committee). Finally, on the issue of transparency, the CCOS publishes on its website information on all funded projects (although not all of the funding programs are up-to-date).

However, other elements of what constitute “good governance” are not in place for the CCOS. For example, as discussed in Section 2.2.4, an annual performance report for the CCOS is not produced, nor is a regularly updated strategic plan or risk management framework.

Summary: Governance and delivery mechanisms – Overall, stakeholders do not see the CCOS as operating as an integrated strategy but rather as comprising several funding programs that are isolated from each other. It is difficult for stakeholders to grasp the overall strategy; indeed, the “CCOS” acronym is not well known outside of the Department. Confusion exists regarding the various funding programs that fund the creation of online exhibits. While there are some elements of good governance operating in the individual funding programs (e.g., peer review committees that assess submitted applications; CHIN/VMC has well respected stakeholder consultation mechanisms), the CCOS lacks an overall strategic advisory committee, a performance measurement framework and system and other practices that typically constitute good governance.

2.3.5 Overlap and duplication

This issue concerns whether there is any overlap or duplication between the CCOS and other government funding programs. (A related issue concerning the degree of overlap/duplication within the CCOS, i.e., among its various components, is discussed under sub-section 2.3.4.)

Overall, there was consensus among key informants and case study organizations that there are very few other programs at either the federal, provincial or municipal government levels that support the digitization of Canadian cultural content or research and development in the field of culture and technology.

Some cultural organizations did suggest that there may be marginal overlap between the CCOS and other PCH programs, such as CAHSP, in that CAHSP has a capacity-building

role and the CCOS has helped cultural organizations to become more knowledgeable about the Internet. For example, CAHSP provides “infrastructure” support to cultural organizations to enhance their websites.

Some museums noted that they deal with multiple programs in the Department (including several CCOS funding programs as well as CAHSP and the Museum Assistance Program), each with different program officers, application processes, varying technical capabilities, knowledge of the sector, etc. This raises the question of whether the Department should move to an account manager approach, whereby each client would deal with a single account manager who would help the client navigate through the various funding sources within the department.

Summary: Overlap and duplication – No major overlap/duplication issues were identified during the evaluation, since there are very few other programs at either the federal, provincial or municipal levels that support the digitization of Canadian cultural content or R&D on new technologies to support cultural institutions and the new media sector.

2.3.6 Alternatives

a) Possible alternatives

This evaluation issue concerns whether there are more cost-effective ways of achieving the overall objectives of the CCOS.

Given that a significant portion of the overall CCOS funding has been devoted to the creation of cultural content websites that contain educational material, the alternative of devolving these CCOS programs to the provinces was discussed in some of the key informant interviews. However, not a single key informant was in favour of this approach. Although some did note that there might be sensitivities associated with the federal government working in an area of provincial responsibility under the Constitution, no one suggested that this was a major problem. Also, a province-by-province approach would tend to produce cultural content websites of local interest, whereas the federal government presumably should be supporting content of national interest. Also, when it came to the development of Aboriginal content, it was suggested that the federal government is preferred over the provinces as a partner by First Nations organizations.

Regarding the digitization objective of the CCOS, some key informants stated that the various CCOS funding programs should switch from project-based funding to funding based on organizational needs. The accounting and reporting requirements inherent in the project-based approach are also very labour intensive and costly, for both the government and the recipient. It was reported that the Canada Council provides multi-year operational support to museums, for example, and this model was given high marks. This option would require further research.

b) Approaches Taken by Other Countries

This issue was addressed through a literature review and interviews with representatives of similar programs in other countries. The goal was to identify how other selected countries are approaching the issue of creating cultural content and providing access to it. Approaches in the United Kingdom, France, Australia and New Zealand were examined.

Just as the digital world is evolving with the continual development of new technologies that create new ways to present and consume digital content, so too are government policies. A fundamental challenge for policymakers in all nations has been to determine the scope, focus, and even vocabulary used to define and describe a digital strategy in this area.

While a national digital strategy may exist in certain countries, each strategy may or may not have specific components that are intended to support the creation of, and access to, cultural content. A national “digital strategy” may sometimes be extremely broad, for example, and used to describe a regulatory framework that largely pertains to oversight of technical infrastructure. In other cases, the term “online strategy” may be too narrow, as in Australia, where the Government’s “online strategy” refers to an effort by the Government to make its general services available online (so that a citizen’s official records could be accessed appropriately, for example.) Above all, Canada is not alone in endeavouring to determine the appropriate policy approach to support the creation of, and access to, digital cultural content, as policy reviews of this subject are under way in the UK (with respect to collections) and New Zealand/Australia (a joint review).

In some cases, as in New Zealand, there has been a clear top-down approach to specifically creating a national “digital” policy, of which culture, content, and online access are components. In other cases, such as Australia, while there have been programs that support digital culture and online access, there is no overarching strategy. France has quite a distinct approach to providing online cultural content: there has never been an overarching government or public strategy, but rather each ministry, each department within the Ministry of Culture and each agency has included online tools into their regular annual planning process.

Another example of the differing approaches taken by policy makers can be seen in the use of portals, or central, government-supported web sites intended to serve as a gateway to cultural content online. Portals are supported in the UK, New Zealand, and Australia, but with differing approaches. The New Zealand portal is a broad commercial site that allows consumers to purchase tickets to sporting events and performances by foreign artists as well as to local events, while the UK and Australian portals are more narrowly focused on local activities or events that would meet a narrower definition of culture.

While examining other countries’ policies doesn’t clearly illuminate a single path for an online strategy, it is clear that issues around which policy makers must make decisions are emerging, such as:

- Should policies that support digital culture be integrated with economic or commercial objectives? An example is the varying approaches with cultural portals, as cited previously, where some portals have strong commercial elements.
- How to measure outcomes? In some cases, awards for web design are cited as benchmarks of success (CultureOnlineUK); in other cases, absolute numbers of visitors are used. Web metrics and analytics are continually evolving, and while there is a tendency to cite statistics, these are often provided without context or a connection to outcomes.
- How tightly to tie support for online cultural activities to other programs? In some cases, as in New Zealand, there is a tightly integrated overall strategy, while in other countries, such as Australia, there is as yet none, and in the UK and France, digital initiatives are subsumed under more general cultural or sectoral programs, as part of a goal of supporting a creative economy, or under programs run by pre-existing ministries or departments.
- Projects vs. foundational support. While most countries have at some point provided support on a project basis, consideration is increasingly being given to creating a regulatory framework, and providing the skill sets and tools needed, to spur the creation of cultural content. A recent example is Australia and New Zealand, where a task force recently recommended that the Government design a policy with five clear objectives:
 - Increase access to digital infrastructures – especially broadband – for both producers and users of digital content.
 - Simplify copyright law and intellectual property management.
 - Business skill training, especially for small creative enterprises.
 - A strategic approach to brokering partnerships between the creative sector and education sector.
 - Programs and funding that increase the commercial potential of creative enterprises.

Summary: Alternatives – A major theme of the CCOS has been to create online cultural content targeted to the educational system, so that Canadian youth can learn more about Canada's culture and heritage. PCH needs to conduct further research on whether the CCOS as a whole is making a difference in the educational system. Regarding the digitization objective of the CCOS, some cultural organizations suggested that infrastructure funding might be a more cost-effective alternative, and other countries are taking this approach. Research on the approaches taken by other countries reveal that they have developed a national "digital" policy, where support for cultural content creation is one of several strategies that include other national goals, including support for the creative economy and simplification of copyright issues.

2.4 Summary of Findings for CCOS Components

This section summarizes the findings of the evaluation for the individual CCOS components. Further details are found in Volume II—Annex E.

1. Canadian Memory Fund

An issue concerning the Canadian Memory Fund is that for some federal organizations, the objective of the Fund was not aligned with their needs. In some of the participating agencies, the real need was (and is) for mass digitization, i.e., digitization of records, artifacts and audio-visual materials. It is clear that this Fund led to the creation of online cultural content – as noted in the survey of recipients and non-funded applicants, most of the content would not have been created without financial support via this Fund. A main conclusion regarding the Canadian Memory Fund is that digitization of collections and artifacts continues to be an important goal for the various federal cultural organizations, but that each organization would have preferred to develop its own strategy for achieving this goal.

2. Culture.ca and Culturescope.ca

Overall, there was limited support among key informants for both sites. Culture.ca suffers from the prevailing view mentioned by many key informants that “*portals are passé.*” Some key informants questioned why Culturescope.ca was part of the CCOS. The number of monthly unique visitors averaged about 158,000 over the three-year period, and has been stagnant. According to PCH managers, the fact that the site could not be fully and consistently promoted by the federal government was a major factor in it not becoming a “destination site.” Due to this, Culture.ca had to re-think its business model early on in its lifecycle. It had to cancel its leveraged investment advertising campaign and quickly adopt search engine optimization and other marketing techniques.

Culturescope.ca had a limited targeted audience, which is reflected in the website traffic statistics. However, of all of the CCOS websites, it is the most “sticky,” i.e., visitors spend more time during each visit. Studies commissioned by PCH found that this site had developed loyalty among its targeted audience.

3. Partnerships Fund

As with the Canadian Memory Fund, some recipients disagreed with the approach that required the creation of online exhibits as opposed to digitizing collections and artifacts. Some stated that much work is left to be done to digitize the records, artifacts and audio-visual content housed by Canada’s cultural organizations. The views on the success of the Partnerships Fund varied widely among key informants and case study organizations. One key informant who was quite familiar with many of the funded projects noted that the quality of online exhibits varies widely. Traffic to the various sites has grown significantly over the three-year period. An issue with the Partnerships Fund is whether the Fund should be about digitizing existing collections versus creating new cultural content that does not

currently exist in any form. A finding of the study is that supporting the development of new cultural content, particularly for Canada's aboriginal and ethno-cultural communities, continues to be an important objective.

4. Gateway Fund

The Gateway Fund provides funding to Aboriginal and ethno-cultural communities to make Canadian cultural content available online.

A key informant who is an expert in aboriginal issues stated that while the objective of the Gateway Fund was important, many Aboriginal organizations would not have the capability to apply to this program. This individual preferred the Partnerships Fund, where other organizations can partner with Aboriginal communities to undertake projects. Some recipients were confused about the differences between the VMC programs, the Gateway Fund and the Partnerships Fund. In fact, one organization that specializes in the study of Aboriginal culture and that had received funding for a project under the Partnerships Fund was not aware of the Gateway Fund, which is specifically devoted to the Aboriginal community.

The website traffic volumes for most of the Gateway Fund websites are very low (see Volume II, Annex D), which reflects their niche content. Most of the sites are not very "sticky" (an average of 3 minutes per visit).

5. Virtual Museum of Canada

In fostering the creation of and accessibility to heritage content, the VMC fulfils objectives related to the Department's Heritage business line as well as the CCOS objectives. The CCOS provides funding to support the VMC portal and the VMC Investment Programs, which in turn consist of two funding programs, the Virtual Exhibits Program and the Community Memories Program. All of these are administered by the Canadian Heritage Information Network (CHIN) within PCH. Overall, most key informants stated that the VMC has played an important leadership role. Back when the CCOS was implemented, museums were confused about the Internet and, indeed, some feared that the advent of online exhibits could negatively affect traffic to the physical museum. Key informants confirmed that CHIN continues to play an important role in research and training, which assists museums to exploit digital technologies as they continue to evolve.

Turning to the VMC portal, it was generally supported by key informants and has substantial traffic (500,000 monthly unique visitors over the three-year period, and consistent increase in the overall number of visits and repeat visitation). The high visibility of the portal was confirmed by a "backlinks" analysis in which the VMC portal scored 100 percent (for further details, see Volume II – Annex D).

The Community Memories Program had a particularly high level of support among key informants; as several noted, *"it is a very low cost program but very important to helping small museums get into the digital age, since they do not have any technical resources."*

6. Canadian Works of Reference Licensing

The Canadian Encyclopedia (TCE) is published by the Historica Foundation and the Dictionary of Canadian Biography (DCB) is jointly owned by the University of Toronto and Université Laval. The DCB website is hosted by Library and Archives Canada (LAC), while the TCE is hosted by the Historica Foundation.

A central aspect of the rationale for both products is that they provide *authoritative* content. For example, in the case of the DCB the biographies are written by scholars (each is paid a small honorarium for each article) and are peer reviewed. While some might argue that these sorts of products are no longer needed given the rapid rise of user generated content on the Internet (e.g., in Wikipedia), the evaluation study found a high level of support for both products. Both have experienced strong and increasing demand: the TCE is one of the highest volume CCOS-funded websites. Another important aspect of the rationale for both products is that they provide a Canadian perspective that often is not available in other sources such as Wikipedia.

Other countries have national biography dictionaries, including the UK, US and New Zealand, which gives credence to the argument that Canada should have its own national reference tools.

A challenge for both sites likely will be to keep up with the rapid technological evolution of the Internet. For example, neither of these products incorporates Web 2.0 features (e.g., tags).

7. Research and Development

The CCOS has had two funding programs under its New Media Research and Development component: New Media Research Networks Fund (NMRNF) and the New Media R&D Initiative (NMRDI).

The NMRNF was introduced first, in 2002. The second fund, the NMRDI, was launched as a pilot in 2006. It was introduced because smaller technology companies were less successful in submitting successful applications to the NMRNF. None of the NMRDI projects has yet been completed. One researcher stated that the design of the NMRDI made sense, as it went beyond the standard research model that focused mainly on academic consortia (such as the Networks of Centres of Excellence model). According to one researcher, the quality of proposals to the NMRDI was not as strong compared to the NMRNF; on the other hand, he noted that the Fund had existed only for a short while and that the quality of submissions might have improved over time.

The Department of Canadian Heritage was given high praise for its leadership in ensuring that the CCOS strategy included an innovation component. Researchers noted that previous attempts by the research community to establish a Networks of Centres of Excellence had been unsuccessful, as any request for funding for innovation in the cultural field had difficulty competing with other public policy priorities.

The design of the two New Media R&D funds was viewed as unique and created, in effect, a new paradigm for innovation.

Researchers, however, were divided on whether the partnership approach actually made sense. Some commented favourably on the fact that the NMRNF required partnerships among universities and commercial partners, since it led to useful exchanges of information/knowledge. However, others disagreed, stating that, given that they perceived that commercialization was one of the goals, the partnership approach is not appropriate

Funding recipients all stated that the specific objectives of their funded research projects had been met. Each of the completed NMRNF projects has undergone a technical evaluation by an outside consulting firm, and these reports indicate that the funded projects successfully met most of their objectives.

Turning to the impacts of the funded projects, the evidence is less clear. Several researchers noted that the impacts of the funded research will take many years to be fully realized, which is the nature of R&D; in other words, it is premature to attempt to measure the full impacts of the funded research. A couple of the recipients who had been involved with the NMRNF since the beginning noted that its objectives and target audiences lacked clarity. This came through during the interviews with recipients, in that a clear picture did not emerge of what the two funds were really attempting to accomplish.

The federal government is viewed as having an important role in supporting innovation and in encouraging cultural organizations to adopt new technologies.

3. Conclusions, Recommendations and Management Response

Conclusions

The conclusions on each of the evaluation issues and questions are as follows.

Rationale and Relevance

1. Is there a continued role for the federal government in developing content and providing access to it?

Key informants argued that there is more work to be done in digitizing the records/artifacts of cultural organizations. Everyone agreed that it made sense for the CCOS to support cultural organizations to create online cultural content; however, several recipient organizations disagreed with the emphasis of some of the CCOS programs that supported the creation of online exhibits that have contextualization and interpretation. They would have preferred to have more flexibility in the use made of CCOS funds, so that they could have digitized their original records/artifacts. Note that this is a complex subject, due to the wide variety of targeted groups served by the CCOS and the diverse nature of cultural content.

There was also support from key informants for the Government to continue to support the creation of online cultural exhibits, although they suggested that the Government should emphasize the need for funding recipients to expand the use of Web 2.0 and other innovative features in the websites that are supported (as appropriate).

The third aspect of the rationale for the CCOS pertained to the need to create a central gateway to Canadian online cultural content, in order to help Canadians find this information. There was limited support among key informants for Culture.ca, since modern search engines enable searches for Canadian cultural information to be easily done. Stronger support was expressed for the VMC portal.

2. Is the CCOS still relevant?

Key informants did not have a clear view regarding whether an overarching CCOS strategy is still required. However, several ongoing needs were identified. The development of state-of-the-art websites containing high quality cultural content that will engage Canadians is an expensive proposition. Work still needs to be done regarding Aboriginal and ethnocultural content in particular. Cultural organizations still have work to do regarding the digitization of their records/artifacts. PCH was viewed as having an important role in resolving certain copyright and rights management issues.

3. Is the CCOS aligned with Government priorities?

The CCOS is formally situated within the Department's Program Activity Architecture, and is linked to the following strategic outcome: "Canadian artistic expressions and cultural content are created and accessible at home and abroad."

While some of the CCOS funds/activities have achieved their goals, certain aspects of the CCOS, including its support for Canada's new media sector, continue to be important goals for the Government. The objectives of the CCOS are also consistent with the priority of the Government regarding support for official languages.

Success and Impacts

4. Has the CCOS met its objectives and its immediate and intermediate outcomes?

The CCOS had three central objectives: creation of online cultural content; providing access to that content; and supporting the development of Canada's new media industry. Over the 2001-02 to 2006-07 timeframe, the CCOS supported the creation of an enormous amount of online Canadian culture content. A total of 1,201 projects were funded, at a total cost of \$130.6 million. The evaluation concludes that the CCOS has been highly incremental: in the absence of the CCOS, there likely would be much less Canadian cultural content available online today. Over the three-year period 2004-05 to 2006-07, increasing numbers of visitors⁴¹ accessed the many CCOS-funded websites, reaching roughly 1.6 million monthly unique visitors in 2006-07. The CCOS-funded websites with the largest traffic include the VMC portal, the Canadian Encyclopedia and the CBC Digital Archives. Finally, a previous evaluation of the Canada New Media Fund concluded that the funding received by companies over the years has been important to the success of these companies and to the sector as a whole.

5. To what extent is progress being made to achieve the CCOS long-term outcome?

The CCOS as a whole does not compile and report comprehensive, uniform data on the numbers of Canadians visiting its funded websites (including the departmental websites such as Culture.ca and the VMC portal as well as the thousand-plus external websites created by the various CCOS programs). However, it has compiled and analyzed quantitative and qualitative data on its own sites (i.e., Culture.ca, Culturescope.ca and the VMC portal), which includes visitor pattern analytic studies.

Based on an analysis of departmental statistics and the website traffic reports submitted by recipients to PCH, it appears that the CCOS has made progress towards achieving its longer-term outcome: "Canadians have increased their access to, and have benefited from

⁴¹ In order to assess the level of use being made of the many CCOS-funded websites, the evaluation used the metric "number of monthly unique visitors" to a website. "Unique visitors" is an international standard for measuring audience reach.

diverse Canadian cultural products and experiences in the digital interactive realm.” In 2006-07, roughly 1.6 million unique visitors accessed these websites on a monthly basis, and the traffic has increased over the years.

6. What have been the unintended impacts and effects (either positive or negative) resulting from the CCOS?

The CCOS has had a variety of unintended impacts – both positive and negative. Recipient organizations noted several positive impacts as a result of carrying out their CCOS projects: 1) the formation of new partnerships and networks; 2) organizational capacity-building; 3) increased participation of various types of communities (local but also ethnocultural, linguistic, school and university-based, etc.); and, 4) increased outreach. Some of the negative impacts were that partnerships could be difficult to establish and maintain; the technical standards required by the Department had seemingly inhibited the development of innovative websites in some cases; and, the limitations on the length of projects meant that insufficient website marketing and promotion could be undertaken.

7. Does the CCOS have appropriate performance measurement?

Little results-based performance information is available for the CCOS as a whole, as a regular performance report is not prepared. A pertinent indicator would be the number of Canadians who access the various CCOS-funded cultural content websites each month. Although funding recipients are supposed to provide regular reports on website traffic, few recipients are doing so on a regular basis, and the Department has no way of ensuring compliance. The websites administered by PCH (including Culture.ca, Culturescope.ca and the VMC portal) did provide performance data as part of their reporting to CCOS. Going forward, an alternative, more effective approach would be for recipients to use a common measurement tool (this would involve installing web analytic software on all funded websites), which the Department would access after the funding has ended, thereby enabling regular performance reports to be prepared and published. The Department’s eServices Branch has also done substantial work in web traffic analysis and comparisons at the departmental and international levels.

In developing its performance measurement strategy, the Department would need to consider website traffic as well as other pertinent performance indicators, such as user satisfaction, extent of repeat visits, visitor duration, etc.

8. How, and to what extent does the CCOS meet the federal government’s commitment under Section 41 of the *Official Languages Act*?

The CCOS has played an important role in contributing to the Department’s commitments under the *Official Languages Act*. The CCOS has definitely contributed to an increased availability of French-language online cultural content. In 2007-08, the CCOS supported some 92 projects that were either French-language content only or in both official languages, and 10 of these projects were developed by organizations

representing official language minority groups. The Culture.ca and VMC portals also participated in this commitment, by promoting French, English and bilingual websites through different features. The Department noted that this efforts have been highlighted by the Commissioner of Official Languages.

Cost-Effectiveness and Alternatives

9. What is the overall cost effectiveness of the CCOS?

One measure of cost effectiveness is the ratio of the Government's investment in the funded websites to the audience reach of these websites, measured by the number of monthly unique visitors. Over the three-year period examined, increasing numbers have visited the CCOS-funded websites, reaching a rough estimate of 1.6 million monthly visitors in 2006-07. One indicator of cost effectiveness is "cost per visitor," which is the ratio of the costs per month incurred in developing/maintaining the CCOS websites to the audience reach (monthly unique visitors). The website with the lowest cost per visitor (\$0.22) is the Canadian Encyclopedia followed by the VMC (\$1.20).

10. What is the administrative efficiency of the CCOS?

Over the history of the CCOS, the administrative cost ratio has been 6.4 per cent, which compares favourably with other PCH programs that administer project-based funding.

11. Are the needs of target groups and users being met?

This issue included three questions: 1) Does the CCOS have clearly defined target groups?; 2) Are the targeted groups being reached and are their needs being met?; and, 3) Who are the users, what is their profile and for what purposes do they use the CCOS?

The CCOS has a broad range of ultimate beneficiaries, including the Canadian public, youth, life-long learners and the Canadian educational community.

PCH was not able to breakdown the funding provided to the various targeted groups, which prevents an analysis of the extent to which each group is being reached by the program.

Overall, funding recipients are highly satisfied with their interaction with the CCOS.

Little information is available on whether the needs of users/beneficiaries are being met. It is difficult to assess whether the many CCOS-funded external websites are being used in the educational system to help Canadian school children to learn about Canada's culture, history and heritage. As noted in the methodology and constraints section, it was not possible to conduct a survey of the education system (to determine, for example, the percentage of history teachers at the primary and secondary level who use specific CCOS-funded websites). Thus a full examination of this issue would require further research.

12. Are the right governance model and delivery mechanisms in place?

Overall, stakeholders do not see the CCOS as operating as an integrated strategy but rather as comprising several funding programs that are isolated from each other. It is difficult for stakeholders to grasp the overall strategy; indeed, the “CCOS” acronym is not well known outside of the Department. Confusion exists regarding the various funding programs that fund the creation of online exhibits. While there are some elements of good governance operating in the individual funding programs (e.g., peer review committees that review submitted applications; CHIN/VMC has well respected stakeholder consultation mechanisms; both Culture.ca and Culturescope.ca instituted advisory bodies), the CCOS lacks an overall strategic advisory committee, a performance measurement system and other practices that typically constitute good governance.

13. Does the CCOS overlap/duplicate other programs?

There was consensus among key informants and case study organizations that there are no overlap/duplication issues, since there are very few other programs at either the federal, provincial or municipal levels that support the digitization of Canadian cultural content or R&D on new technologies to support cultural institutions and the new media sector.

14. Are there alternatives to the CCOS?

Given that a significant portion of the overall CCOS funding has been devoted to the creation of cultural content websites that contain educational material, the alternative of devolving these CCOS programs to the provinces was discussed in some of the key informant interviews. However, not a single key informant was in favour of this approach.

Regarding the digitization objective of the CCOS, some cultural organizations suggested that infrastructure funding (i.e., providing funding to organizations to undertake a variety of initiatives to help build organizational capacity) might be a more cost-effective alternative, and other countries are taking this approach.

Research on the approaches taken by other countries reveal that other countries have developed a national “digital” policy, where support for cultural content creation is one of several strategies that include other national goals, including support for the creative economy and simplification of copyright issues.

Regarding the access objective, interviews with informants and researchers raised the question of whether Canada should establish a new cultural portal, perhaps in partnership with or even led by a non-government organization. This option would require further research.

Recommendations and Management Response

1. The Department should determine the possible elements of a re-defined strategy in support of Canadian digital culture in a multi-platform environment.

The Department should consult with the Canadian cultural community to identify the possible elements of a new strategy for government intervention in support of digital culture in the context of the internet and other emerging delivery platforms. This would involve assessing the needs of the various client communities and users and re-defining the Government's objectives, support programs, etc.

During the course of this evaluation study, a number of themes emerged that should be further examined as part of developing a possible new strategy. For example, while the CCOS has assisted many cultural organizations to create online exhibits and virtual collections, several noted that work remains to digitize their records and artifacts. There are also several copyright issues affecting the creation of online content. The need to digitize Canada's textual, image, audio and audio-visual heritage is a theme of the Library and Archives "*Canadian Digital Information Strategy*" consultation document issued in October 2007. The Strategy has several other elements, including the supporting the growth of digital content production.

One element of the original CCOS strategy that requires further study is the extent to which the objective of helping young Canadians to learn about Canada's culture and heritage is being fulfilled. Several of the funding programs supported customizing content to make it as useful as possible to educators. However, little information is available on whether the many CCOS-funded cultural websites created by cultural organizations other than the department are actually being used in the school system (the Department has evidence that Culture.ca and the VMC portal are being used in the educational system). The original CCOS approach was basically that "*if we build good content, they will come.*" Recipients pointed out that no resources are provided for marketing of their websites to teachers, for example. And there are barriers to getting web-based content integrated into classroom lesson plans. Further research is required on this issue. The Department should decide whether the educational objective is still appropriate; if it is, then the Department needs to develop the appropriate approach to meeting this goal.

In terms of re-defining possible funding programs to support the creation of online Canadian cultural content, several suggestions emerged during the evaluation and should be considered as part of developing the future strategy. For example, it was suggested that support should be provided to truly innovative websites that will encourage use by Canadians, involving the use of Web 2.0 and other innovative tools as appropriate. Supporting the creation of new cultural content also should be encouraged. A continued emphasis on French-language, Aboriginal and ethnocultural content seems to be warranted. Consideration should be given to focusing support on content areas of national significance and where there are currently gaps in coverage. Support needs to be provided

for marketing and promotion of online cultural content. Multi-year projects would be more appropriate, given the complexities involved in developing successful websites.

Regarding the original access objective of the CCOS, Canadians now have access to powerful search engines to find online cultural information. Other countries, however, have developed successful cultural portals that vary in terms of their purpose and objectives. As part of re-defining the federal strategy, the Department should assess whether a new portal should be supported, perhaps in partnership with, or even led by a non-governmental organization. This would also involve determining the particular policy objective(s) that are being supported, i.e., solely cultural, e.g., learning about Canada's culture and history, versus commercial, e.g., promoting cultural tourism. Given this sort of portal would require the use of Web 2.0 features and other innovative technologies, the costs would not be insignificant.

Another theme is that cultural organizations are not sure of the implications of emerging technologies, trends and consumer behaviours for their organizational websites, and believe it is important for PCH to be able to advise organizations on how to implement such features. Some cultural organizations also need help in using modern web analytics software and search engine optimization methods so that their cultural collections can be readily found when Canadians do Google searches. The Department should determine its role in responding to these needs.

Management Response: Accepted

The CCOS was an appropriate strategy in 2001 when the Government was articulating a cohesive public policy approach to the emergence of new media in cultural institutions and the industry. In the current environment, where cultural institutions and every sector of the cultural industries have been affected by the Internet and interactive media, new approaches may be required.

The Department will build on the success of elements of the CCOS, such as the Virtual Museum of Canada, the Partnerships Fund and Gateway Fund and will continue to support high-quality content, taking into account the appropriate technology and governance to achieve the objectives associated with different categories of content. To the extent possible, content and features of Culture.ca and Culturescope.ca will be integrated into the Department's Web presence by 2010 as part of its Web Transformation Strategy.

The Department will evaluate possible approaches to support the creation, accessibility and promotion of interactive cultural content. Issues to be considered could include:

- Federal objectives in the context of a multiplatform environment;
- Target clientele and audiences and their needs;
- The role and nature of digitized collections;
- The role and nature of interpretive content;
- The role of user-generated content;

- Evolving technologies;
- Effective strategies to reach target audiences, including the role of portals, marketing and search engine optimization;
- Strategies to enhance the expertise of cultural organizations with respect to new technologies;
- Appropriate program design to achieve federal objectives in an effective and efficient manner, to ensure accountability and to ensure that results are measured.

The Department will manage winding down activities for Culture.ca, Culturescope.ca, the Canadian Memory Fund and the R&D funds. It will also build on the results of the Gateway and Partnership Funds and seek how best to continue meeting their objectives. CHIN is proceeding with a re-design of its Web presence that will enhance the VMC.

Implementation schedule:

- VMC redesign: September 2009
- Winding down activities for Culture.ca, Culturescope.ca, the Canadian Memory Fund and the R&D funds: March 2010
- The Department's Web Transformation Strategy integration: 2010 Gateway and Partnership funds review & new digital cultural strategy consideration: 2011

2. Performance measurement for the future federal government strategy for digital interactive culture needs to be emphasized

Little results-based performance information is available for the CCOS as a whole (although some of the individual components do monitor performance). For example, the program does not track the use being made by Canadians of all of the CCOS-funded websites. During the early years of the CCOS, this was a cumbersome and challenging task, due to the absence of adequate website traffic measurement software. Going forward, the Department needs to ensure that website traffic statistics are being compiled regularly for supported websites and that the Department has access to this information. This can be achieved by ensuring that a consistent web analytics process, including software and metrics, is used for all websites, which the Department would access in order to extract and analyze usage statistics.

The Department needs to develop a performance measurement strategy, which would specify the appropriate measurement indicators and data collection methods.

A regular performance report also needs to be published, so that Canadians are made aware of the extent to which the supported websites are actually being used and valued by Canadians.

Management Response: Accepted

In the contribution agreements the Department signs with recipients, it is required of each recipient to provide usage statistics for the funded site. This data is collected for a 3 to 5-

year period after the launch of the site, depending on the fund. The Department agrees that the quality of the data received is varied while noting that some CCOS programs, such as the VMC, Culture.ca and Culturescope.ca, have developed sound mechanisms for obtaining reliable and consistent user data, as well as its analysis. Overall data for CCOS is currently being entered into a performance tracking database developed in response to a recommendation in the 2004 formative evaluation.

The Department agrees that a better method of gathering this information is required and is now feasible as the result of new technologies. CHIN has developed a new approach to the collection and analysis of Web statistics, and is working with the CCO Branch on a pilot project to implement this approach for some of the CCO Branch's funded projects, with the goal of eventually providing consistent and standardized Web metrics for all funded sites.

The pilot project will be conducted between the fall of 2008 and March 2009. If the results prove successful, funded projects for 2009-2010 will be required to use this approach. The CCO Branch will also evaluate the possibility of having past recipients convert to this approach as a way of collecting future performance data. If the approach does not prove satisfactory, the CCO Branch will continue to require statistical data from recipients and will diligently monitor recipients to obtain data from them. As results are acquired, the CCO Branch will input the data into its database to make them easily accessible.

Implementation schedule:

March 2009 for the pilot project; March 2010 for implementation

List of Appendices

The following appendices are available upon request.

- Appendix A. Evaluation Matrix
- Appendix B. List of Key Informants, Researchers and Case Studies
- Appendix C. Data Collection Instruments
- Appendix D. CCOS Websites: Usage and Back links Analysis
- Appendix E. Findings for CCOS Components
- Appendix F. Bibliography

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