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Engaging and Informing Canadians

Annual Report on GOVERNMENT OF CANADA ADVERTISING ACTIVITIES 2006–2007











Engaging and Informing Canadians

Annual Report on GOVERNMENT OF CANADA ADVERTISING ACTIVITIES 2006-2007

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Message from the Minister



This Annual Report, *Engaging and Informing Canadians*, outlines Government of Canada advertising activities undertaken in 2006-2007.

The 2006-2007 fiscal year marked the resumption of full federal government advertising activity following two successive general elections in 2004-2005 and 2005-2006.

Government advertising is a resource for Canadians to get timely, clear information about diverse subjects—from the broad range of government programs and services to public health and safety issues. This annual report documents the advertising activities of the Government of Canada and the range of measures that have been undertaken to facilitate sound and responsible government advertising.

In 2006-2007, a number of high profile advertising initiatives were introduced as integral parts of the strategies to address key Government of Canada priorities. These include:

- the Department of National Defence's National Recruitment campaign, which contributed to strengthening Canada's sovereignty and place in the world;
- Health Canada's Healthy Living and Healthy Eating initiative, tied to improving the health of Canadians;
- the Royal Canadian Mounted Police's National Recruitment Program linked to the government's commitment to tackling crime and strengthening the security of Canadians; and

 Human Resources and Skills Development Canada's Service Canada and Post-Secondary Education Financing campaigns affiliated to the government's mandate to better serve Canadians and help families.

Also, Statistics Canada launched a significant advertising campaign for the 2006 Census. This extensive project, which takes place every five years, saw an overall Census Form completion rate of 97.6 percent.

Similarly, National Defence's recruitment campaign reached 103 percent of its goal since its launch in 2006-2007 and continues to build on increasing enrolment of regular and reserve personnel. Both the Royal Canadian Mounted Police's National Recruitment Program and Service Canada's Service to Canadians campaigns were launched at the end of the 2006-2007 fiscal period and results will be reported in next year's annual report.

The government continues to provide sound and effective management to ensure that Canadians have the information they need to benefit from programs and services. I want to assure Canadians that, through open, transparent and accountable management, these advertising activities are subject to greater oversight than ever before.

Christian Paradis Minister of Public Works and Government Services







Contents

Message from the Minister	Once Every Five Years		
	Public Notices		
About the Report	New for 2006-2007—Routine Business		
Chapter I: Government of Canada Advertising	by Institutions for Public Notices		
Management and Support	Media Placements by Type17		
A Policy to Communicate	Figure 1—2006-2007 Agency of Record		
Tied to Priorities	Media Placements by Type		
A Rigorous Approval Process	Figure 2—Agency of Record Media		
Table 1—Advertising Expenditures for	Placements by Type 2004-2005 to 2006-2007		
Major Campaigns	Figure 3—Expenditures in Official Language, Ethnic and Aboriginal Media 2004-2005 to 2006-2007 19		
Better Procurement5	Figure 4—2006-2007 Expenditures in Official Language,		
Open to Scrutiny5	Ethnic and Aboriginal Media		
A Comprehensive Departmental Review	An Invitation to Readers		
Strengthening Government Advertising Management	Government of Canada—National Campaigns		
Improving Skills, Increasing Knowledge 6 Government-Specific Training 6	Appendices		
Assessing Advertising Trends7Reaching Out7	Appendix I: How Advertising is Managed in the Government of Canada		
Consultative Committee on Advertising and Official Language Minority Media	Roles and Responsibilities		
In Tune with Diverse Audiences	Planning22		
Advances in Project Management Mechanisms8	Securing a Contract		
Advertising Management Information System 8 Criteria Under Review	Testing the Creative		
Chapter 2: Government of Canada	Appendix II: Transparency Measures		
Advertising Activity9	Appendix III: Glossary		
Expenditures in Summary	Appendix IV: Government of Canada Advertising		
Advertising to Meet Priorities9	Expenditures—A Five-Year History		
Table 2—Advertising Expenditures by Institution 10			







About the Report

This annual report on federal advertising provides information on the advertising-management process, annual expenditures, and lists the major campaigns undertaken in 2006-2007 to support government priorities. All reported figures are exclusive of GST.

Chapter I reports on major advertising initiatives undertaken in 2006-2007 and their link to government priorities. The results of two audits of federal advertising management practices are included—an internal audit conducted by Public Works and Government Services Canada (PWGSC) and a follow-up audit by the Auditor General of Canada.

Chapter 1 also highlights some of the initiatives by PWGSC to strengthen the management of government advertising through training, best practices and working tools for public servants involved in advertising.

Chapter 2 outlines 2006-2007 federal government advertising expenditures and itemizes expenditures by government institutions. This chapter also presents breakdowns of advertising expenditures by media, including official language minority, ethnic and Aboriginal media. Four appendices are included in this report:

Appendix I describes the advertising management process in the Government of Canada—from campaign planning through to evaluation—and outlines the roles and responsibilities of specific institutions engaged in advertising oversight.

Appendix II contains the transparency measures enacted by the government to ensure confidence in the advertising process and provide up-to-date information and consistency in reporting.

Appendix III presents a glossary of terms used throughout this report and, broadly, in government advertising management.

Appendix IV gives an overview of Government of Canada advertising expenditures along with a list of major campaigns from 2003-2004 to 2005-2006.

¹ For the purposes of this report, the term institution(s) shall mean all departments and agencies listed in Schedules I, I. I and II of the *Financial Administration Act*.







CHAPTER I: Government of Canada Advertising Management and Support

A Policy to Communicate

Advertising is an important way for the Government of Canada to communicate with Canadians. Through advertising, the federal government informs Canadians about its services, programs, initiatives and policies. Advertising is also an essential tool to alert Canadians about environmental and public health and safety issues, invite consultation on matters of public interest, and notify people about their legal rights and protections. It is conducted in accordance with the Communications Policy of the Government of Canada.

Tied to Priorities

Government of Canada advertising activities support federal priorities that are outlined in the Speech from the Throne. In the April 2006 Speech from the Throne, the government identified specific matters it intended to address during the coming parliamentary session. Subsequent advertising campaigns were designed to support many of these priorities. For instance, to support the government priority to strengthen Canada's sovereignty and place in the world, the Department of National Defence launched a national recruitment campaign aimed at increasing enrollment by 13,000 regular and 10,000 reserve personnel by 2010.

To encourage Canadians to take practical steps to be prepared in case of an emergency, Public Safety Canada launched the 72 Hours—Is Your Family Prepared? campaign. The Canadian Food Inspection Agency developed the Traveller's Bio-security Campaign to remind travellers and visitors to Canada of their responsibility in protecting the health of Canadians and their environment by not bringing banned goods into the country.

Other departments initiated similar advertising activities to support the government's other priorities related to providing effective economic leadership for a prosperous future and tackling crime and strengthening the security of Canadians. A list of the major campaigns figures in Table 1.

A Rigorous Approval Process

The Government of Canada has a rigorous and well-coordinated approach to planning and approving advertising campaigns:

- The Privy Council Office (PCO) works with institutions to develop proposals for advertising campaigns based on government priorities. These form the basis of the Government of Canada Advertising Plan. The Plan includes information on advertising expenditures and proposed allocations for new campaigns.
- The Assistant Deputy Secretary to Cabinet presents the proposed Government of Canada Advertising Plan to the Operations Committee of Cabinet for approval.
- Once the plan is ratified by the Cabinet Committee on Plans and Priorities, the Treasury Board Secretariat secures funding approval from the Treasury Board.

For a detailed outline of the process, please refer to Appendix I of this report.

Table I—Advertising Expenditures for Major Campaigns (\$1.5 million and over for planning, production and media placement costs)

Priority	Campaign	Institution	
	National Recruitment Campaign	Department of National Defence	
Safety and Security	Emergency Preparedness Advertising Campaign	Department of Public Safety and Emergency Preparedness	
	Traveler's Bio-security Campaign	Canadian Food Inspection Agency	
	Keeping Canadians Safe Advertising Campaign	Department of Transport	
Helping Families	Intergovernmental Consultative Committee on Student Financial Assistance (ICCSFA) (Pan-Canadian Communications Initiative on Post-Secondary Education)	Department of Human Resources and Skills Development	
	Canada's Universal Child Care Plan	Department of Social Development	
Service to Canadians	Service Canada Awareness Campaign	Department of Human Resources and Skills Development	
	Canada Savings Bonds Campaign	Department of Finance (Canada Investment and Savings)	
Economy	E-Services for Businesses	Canada Revenue Agency	
	Services for Business: Promoting Entrepreneurship	Department of Industry	
Environment	Transit Pass Tax Credit	Department of the Environment	
	Canada's Healthy Living and Healthy Eating Campaign	Department of Health	
Health	Second Hand Smoke: Home and Car Campaign	Department of Health	
	Engaging Children in Physical Activity	Department of Health	







Acting for Accountability

In 2006, the government introduced a comprehensive strategy to reform many aspects of government operations, including procurement, public opinion research and advertising. As a result of the Federal Accountability Action Plan, the definition of advertising was removed from the Contracting Policy and a new definition (see *Glossary*) was included in the Communications Policy of the Government of Canada. The new definition distinguishes advertising from non-paid messages such as public service announcements, and from collateral services such as public relations and events management.

Better Procurement

The Federal Accountability Action Plan also required that the bidding process to procure advertising services be open, fair and transparent. As part of a separate initiative, proposals were also made to improve the advertising contracting tools that were first established in 2004. New Standing Offers (SOs) and Supply Arrangements (SAs) were implemented in June 2007.

These improvements strengthened accountability and helped Public Works and Government Services Canada (PWGSC) respond to changes in advertising business practices and the needs of government advertisers.

Improvements included:

- establishing regional standing offers that are aligned to expected business volumes;
- adding new categories of service, such as ethnic and Aboriginal language adaptation;
- requiring minimum experience or educational qualifications for each category of advertising production service; and
- increasing the contracting ceiling from \$75,000 to \$100,000 for call-ups against standing offers.

Effective 2007-2008, the supply arrangements will be used to award contracts for well-defined campaigns over \$100,000. This replaces the previous method of selection which was based on dollar-value; therefore, the previous ceiling of \$750,000 will be eliminated.

Open to Scrutiny

In 2006-2007, federal government advertising was the subject of two audits, one within PWGSC and the other by the Auditor General of Canada.

A Comprehensive Departmental Review

In summer 2006, PWGSC completed an internal audit to assess the implementation of the initiatives designed to improve the advertising coordination and procurement services the Department provides to government institutions. The audit also reviewed the Department's management of its own advertising projects. The audit found that substantial improvements had been made to PWGSC advertising practices, and that appropriate controls and systems had been established to ensure compliance with government policies.

2007 Status Report of the Auditor General

Each year, in the House of Commons, the Auditor General tables a status report on the government's progress in addressing recommendations from previous reports.

In February 2007, the Auditor General tabled a status report on federal government advertising and public opinion research. It examined the management of advertising campaigns by institutions and the effectiveness of the changes that were made in response to the 2003 audit recommendations.

The audit concluded that the government has made satisfactory progress in ensuring that advertising activities are managed in accordance with applicable acts and policies, including the:

- Financial Administration Act;
- Communications Policy;
- Contracting Policy;
- Official Languages Act; and
- Federal Identity Program.

In particular, the Auditor General reported that:

- PWGSC has made satisfactory progress in ensuring that it awards contracts for advertising and public opinion research through a fair and transparent process, in accordance with the Treasury Board's Contracting Policy.
- Departments have made satisfactory progress in ensuring that they plan for advertising activities and manage suppliers in accordance with the Communications Policy of the Government of Canada.

• The government has made satisfactory progress in its control over the expenditure of public funds on advertising.

The Government of Canada will continue to make improvements to ensure the effectiveness and transparency of advertising management practices.

Strengthening Government Advertising Management

Public Works and Government Services Canada (PWGSC) ensures the integrity of the government contracting process for advertising. The Department also provides government institutions with advertising planning, coordination and advisory services, in addition to contributing to better management of government advertising by promoting training opportunities, delivering information sessions and developing best practices and tools.

Improving Skills, Increasing Knowledge

PWGSC developed and delivered information and training sessions regularly throughout the year to help strengthen the skills and knowledge of government advertisers.

Some examples include:

- Interactive Marketing and On-line Advertising;
- Commercial Agreements with ACTRA and L'Union des artistes;
- The Agency of Record and Media Partnerships;
- How to Create Effective Advertising in the Governmental Sector;
- Diversity in Canada;
- Importance of Radio in Your Media Mix;
- Advertising and Official Languages.

A total of 55 sessions were presented to some 920 participants.

Government-Specific Training

To respond to the need of government institutions for comprehensive information on the advertising process, PWGSC worked with educational experts to develop the Advertising Process Training Course. This full-day course provides institutions with essential information on all aspects of government advertising management, including their roles, responsibilities and accountabilities, as well as those of suppliers and agencies, and all applicable acts and policies. The course provides the knowledge and tools necessary for government communicators to develop and implement advertising initiatives judiciously.

The course was presented for the first time in March 2007. A total of six sessions were delivered in both official languages to 72 participants from 25 different institutions. The course will continue to be offered in coming years to ensure communicators throughout the government remain current with all advertising procedures.

PWGSC also offered coaching sessions to institutions on the use of the Advertising Management Information System (AdMIS)—a centralized system to document advertising initiatives and expenditures.







Assessing Advertising Trends

Emerging technologies are changing the way Canadians communicate and receive information. The Internet, for example, has created a virtual world with no time or geographic boundaries. More than 23 million Canadians are now online—an increase of 13 percent between January 2006 and January 2007 alone. In that same period, the amount of time Canadians spent online went up by 37 percent¹.

The Government of Canada remains committed to monitoring media trends and exploring viable and innovative advertising options to ensure clear, cost-effective communications with Canadians.

In recent years, and in a variety of ways, Government of Canada advertising has responded to changes in media and in Canada's demographic profile. Changes to the advertising procurement process (see *Better Procurement*) include measures to assess companies' experience in Internet and new media advertising. New information resources (see *In Tune with Diverse Audiences*) not only enable government communicators to better access and inform flourishing ethno-cultural communities across the country, they also help ensure communications materials depict the diverse nature of Canadian society in a fair, representative and inclusive manner.

¹ Gignac, Paula, State of the Art Interactive and the Power of Online, Interactive Advertising Bureau of Canada. 2006, 3-4 p.

Reaching Out

To engage government communicators and keep them up to date on issues related to advertising and communications partnerships, PWGSC launched *Within Reach* in April 2006. This online newsletter is published quarterly as a forum in which to share and increase knowledge, and to promote a more open and collaborative advertising environment. Each issue of *Within Reach* features articles, news, tips and announcements of upcoming events and information sessions.

Articles have covered topics related to accountability and advertising; creative tips and effective message development for better advertising; partnering best practices; Official Languages compliant media plans; and new and emerging trends in advertising, among others.



Consultative Committee on Advertising and Official Language Minority Media

In recognition of the important contribution made by official language minority media to the vitality of communities across Canada, PWGSC established a mechanism to collaborate more closely with official language media representatives on advertising issues. The Consultative Committee on Advertising and Official Language Minority Media met for the first time in June 2006 and includes representatives from:

- PWGSC;
- Canadian Heritage;
- Association de la presse francophone;
- Alliance des radios communautaires du Canada inc.;
- Quebec Community Newspapers Association; and
- Quebec Association of Anglophone Community Radio.

The committee will meet at least twice each year to:

- undertake a productive dialogue between federal institutions and representatives of official language minority media associations;
- develop strategies to help federal institutions and association representatives maximize the impact of government advertising on official language minority communities; and
- discuss ways to promote the value of official language minority media to reach official language minority communities among federal advertisers.

In Tune with Diverse Audiences

Advertising trends are propelled not only by technological advances and media choices, but also by the cultural diversity of Canadian society. With new Canadians among the fastest growing segments of the population—particularly in major urban centres—government advertisers are adapting to reach these important audiences.

PWGSC is supporting federal institutions with information on ethnic publications contained in Government of Canada media lists and keeps copies and summaries of each of these on file. Plans are underway to offer this information to institutions through the Advertising Management Information System (AdMIS).

Advances in Project Management Mechanisms

Advertising Management Information System

The Advertising Management Information System (AdMIS) is a key advertising project management tool for federal institutions. The system enables authorized users to access information on Government of Canada advertising and to document the complete lifecycle of each advertising campaign, including expenditures.

In 2006-2007, PWGSC reviewed AdMIS with a goal to simplify and improve the system to help institutions better manage their advertising data. The analysis led to recommendations for the creation of AdMIS 2.0. Development began in 2006-2007 and will be phased-in over the next couple of years. Among other improvements, AdMIS is now capable of reporting on public notices placed directly by federal institutions (see *Public Notices*). This feature contributes to increased transparency by providing a more complete accounting of government advertising expenditures in the annual report.

Criteria Under Review

In December 2006, PWGSC launched a review of the criteria and application questionnaire used to assess the eligibility of publications included on the Government of Canada media lists. These lists are used by government advertisers to develop media plans. They are maintained by the government's Agency of Record which is also responsible for negotiating competitive rates and assuring quality control.

The objective of the review was to ensure that the criteria and questionnaire are transparent, comprehensible, inclusive and verifiable. As part of the review, industry associations and stakeholders were invited to provide comments on proposed revisions. The revised criteria and questionnaire have been implemented in the 2007-2008 fiscal year.







CHAPTER 2: Government of Canada Advertising Activity

Expenditures in Summary

In 2006-2007, the Government of Canada spent \$86.9 million on its various advertising activities, as follows:

- \$71.3 million on advertising campaigns in support of government priorities;
- \$11.1 million for an exceptional initiative—Census 2006; and
- \$4.6 million for media purchased directly by institutions for public notices.

Expenditures in previous years ranged from \$111 million in 2002-2003 to \$41.3 million in 2005-2006. Expenditures in 2002-2003 generally reflected the advertising activity level prior to the downturn beginning in 2003-2004 (\$69.8 million). From that fiscal period and into 2005-2006, advertising expenditures for the Government of Canada were affected by a moratorium on advertising activities, the introduction of major reforms and two year-over-year general elections.

Planned advertising activities resumed in April 2006 when the newly elected government was sworn into office and a new Speech from the Throne was introduced, highlighting the

government's priorities. An increase in advertising activity resulted in part from new campaigns by the Department of National Defence, Health Canada, Service Canada and Statistics Canada that launched the Census of Canada campaign—an extensive project that unfolds every five years.

Advertising to Meet Priorities

The government's advertising plan is based on key priorities and operational requirements. This year, the plan also included a new recruitment campaign by the Royal Canadian Mounted Police; a campaign by Public Safety and Emergency Preparedness Canada to encourage Canadians to be prepared in case of emergency; an initiative, by Human Resources and Skills Development Canada conducted in partnership with provinces and territories, to encourage parents to plan for their children's education, and a new Service Canada campaign on programs and services for Canadians.

In total, 34 departments and agencies spent approximately \$71.3 million on these types of advertising campaigns in 2006-2007, as follows:

Table 2—Advertising Expenditures by Institution

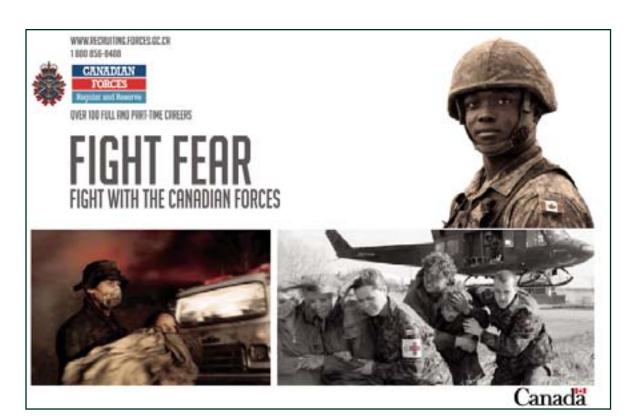
Institution Name	Total Advertising Expenditures (in thousands of dollars)
Department of National Defence	\$17,622
Department of Human Resources and Skills Development	\$11,313
Department of Health	\$10,241
Department of Finance (Canada Investment and Savings)	\$4,692
Department of Agriculture and Agri-Food	\$3,102
Department of Public Safety and Emergency Preparedness	\$2,770
Department of Social Development	\$2,761
Canadian Food Inspection Agency	\$2,649
Department of the Environment	\$2,397
Canada Revenue Agency	\$2,104
Department of Transport	\$2,023
Department of Finance	\$1,723
Department of Industry	\$1,652
Department of Foreign Affairs and International Trade (International Trade Canada)	\$1,079
Public Health Agency of Canada	\$858
Canadian Radio-television and Telecommunications Commission	\$739
Parks Canada Agency	\$590
Canada Border Services Agency	\$426
Department of Indian Affairs and Northern Development	\$407
Royal Canadian Mounted Police	\$330
Financial Consumer Agency of Canada	\$308
Department of Public Works and Government Services	\$286
Statistics Canada	\$284
Atlantic Canada Opportunities Agency	\$198
Privy Council Office	\$160
Department of Fisheries and Oceans	\$118
Department of Citizenship and Immigration	\$105
Canadian Firearms Centre	\$101
Department of Canadian Heritage	\$73
Canadian Grain Commission	\$60
The National Battlefields Commission	\$19
Canadian Institutes of Health Research	\$17
Department of Natural Resources	\$15
Canadian Centre for Occupational Health and Safety	\$2
Total:	\$71,224

These figures were provided to PWGSC by each institution for the purpose of this annual report. Expenditures include planning, production and media placement costs for all types of advertising activities (campaigns and public notices placed by the Government of Canada's Agency of Record).

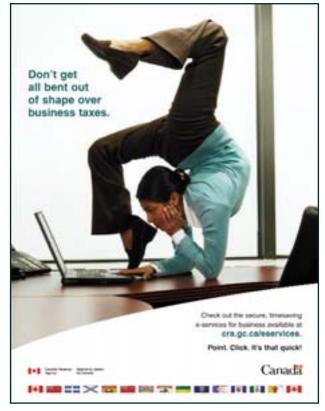












Once Every Five Years

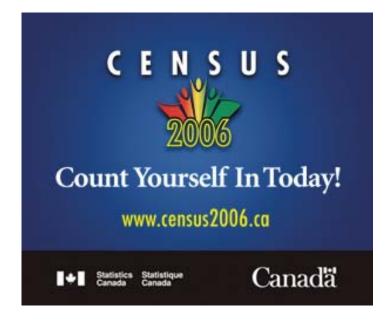
Every five years, Statistics Canada conducts a census. The 2006 Census of Canada took place on Tuesday, May 16, 2006. The census provides a statistical portrait of our country and its people. A vast majority of countries regularly carry out a census to collect important information about the social and economic situation of the people living in their various regions.

The census includes every man, woman and child living in Canada on Census Day, as well as Canadians who are abroad,

either on a military base, attached to a diplomatic mission, at sea or in port aboard Canadian-registered merchant vessels. Persons in Canada, including those holding a temporary resident permit, study permit or work permit, and their dependents, are also part of the census.

In 2006-2007, Statistics Canada spent \$11.1 million to inform Canadians of their obligation to complete the 2006 Census of Canada.













Public Notices

Public notices are a form of advertising. The government uses public notices, for example, to alert Canadians to changes in regulations and for health advisories. Like other more traditional forms of advertising, the media may be purchased by the government's Agency of Record. Examples for 2006-2007 include national recruitment notices for the Royal Canadian Mounted Police and the Department of National Defence and the Barley Plebiscite aimed at grain farmers across Canada. As in previous annual reports, related expenditures are included in departmental totals (see *Table 2*).



BARLEY PLEBISCITE

The Covernment of Carvola is conducting a plablacks among Wintern Canadian producters to give them a voice on how they with to market hadley. The plablacks will take place between February 7 and March 13, 2007.

Voter Bightley

- Each farming entity, whether a single producer, groups, a partnership, congenitives or corporations forming a single operation, will be eligible for one with.
- Producers will be required to have produced grain during the part year, and to have produced burley in at least one out of the goal five years (2002-2006).
- Produces who are active larners will be able to be included on the votes?
 Excepts distinction of their extremating sincerestations if they had planted to produce a grain crop in 2000 but were unable to do so.

For information on the voting process:

(1-877-020-7534) tel: 8PMG UF 7-0, Box 2580 Station Main

Villenipes, MB R3C 4B3 and de laution form a Mari

Desiline to request a ball of and declaration form is North 2, 2007. These must be realled and posteraried by midnight March 13, 2007.

Canada

Attention Farm Families

The Canadian Farm Families Options Program - Application Forms Available

The Options program is in place to help lower income farm families to find ways to improve their income situation.

Farm families with a minimum of \$50,000 in gross farm sales and a total income less than \$25,000 (for families) or \$15,000 (for individuals) are eligible to apply for the program, which includes short term income support.

To qualify, farm families are required to access business assessment and skill development services to help them improve their farm or off farm income potential over the long term.

Application forms are available on the Options website:

www.agr.gc.ca/options

or by calling toll free: 1 866 367-8506

Deadline to apply is October 31, 2006.

-

Canada

New for 2006-2007—Routine Business

The Government of Canada also uses public notices for routine business, such as public hearings, offers of employment, notices of public consultation or changes to business hours. These types of public notices are typically on matters of local or regional interest. Examples include:

- National Research Council of Canada recruitment notices; announcements on amendments to building, fire and plumbing codes; and notices on services;
- Public Works and Government Services Canada notices of upcoming requests for proposals or tenders;
- Canadian Food Inspection Agency notices about new regulations for handling, transporting and disposing of cattle carcasses, or insect-infected wood.

Institutions often purchase media time or space directly for these types of public notices.

For the first time since the publication of an annual report on advertising expenditures in 2002-2003, the government is able to include expenditure information on the media purchased directly by federal institutions for this form of advertising. This is made possible following recent enhancements to the Advertising Management Information System (AdMIS).

In 2006-2007, institutions purchased \$4.62 million in media for these types of messages. These expenditures will continue to be tracked separately in future annual reports.



FOR SALE RESIDENTIAL DWELLING 18 D.O.T. ROAD, TREPASSEY, NL

CONSISTS OF A DETACHED DWELLING & APPROXIMATELY 0.1316 HECTARES OF LAND

Sale is subject to conditions of sale as set out on PWGSC Forms 1559 and 1092 marked **Tender Number T-001CCG**, which may be obtained by contacting Andrea Childs at Public Works and Government Services Canada, St. John's, NL, at 709-772-6827 (COLLECT).

Property will be open for viewing 2:00 p.m. to 5:00 p.m. on Wednesday, March 7, 2007.

All Offers to Purchase must be accompanied by a certified cheque or money order payable to the Receiver General for Canada in the amount of ten (10) percent of the offered price.

THE HIGHEST OR ANY OFFER NOT NECESSARILY ACCEPTED.

Sealed Offers to Purchase indicating Tender #T-001CCG are invited and must be received by the Bid Receiving Unit no later than 1400 hours, 15 March 2007, at the following address:

Public Works and Government Services Canada Bid Receiving Unit Tender #T-001CCG P.O. Box 4800 The John Cabot Building 10 Barter's Hill St. John's, NL A1C 512

Fax #: 709-772-4603

Canadä







Table 3—Expenditures for Media Purchased Directly by Institutions for Public Notices

These figures were provided to PWGSC by each institution for the purpose of this annual report.

Institution Name	Total Advertising Expenditures (in thousands of dollars)
National Research Council of Canada	\$821
Department of Transport	\$460
Department of Public Works and Government Services	\$431
Statistics Canada	\$425
National Film Board	\$391
Department of Human Resources and Skills Development	\$289
Royal Canadian Mounted Police	\$271
Department of Foreign Affairs and International Trade	\$176
Canadian Environmental Assessment Agency	\$127
Office of the Governor General's Secretary	\$127
Natural Sciences and Engineering Research Council	\$126
Canadian Nuclear Safety Commission	\$110
Department of Agriculture and Agri-Food	\$100
Correctional Service of Canada	\$96
Canada Revenue Agency	\$75
Canadian Food Inspection Agency	\$71
National Energy Board	\$63
Canadian Institutes of Health Research	\$59
Department of Indian Affairs and Northern Development	\$58
Department of Veterans Affairs	\$52
Department of Justice	\$43
Department of Western Economic Diversification	\$40
Department of Industry	\$35
Public Service Labour Relations Board	\$31
Canada Border Services Agency	\$28
Immigration and Refugee Board	\$21

Table 3—Expenditures for Media Purchased Directly by Institutions (cont.)

Institution Name	Total Advertising Expenditures (in thousands of dollars)
Department of Health	\$19
Canadian Grain Commission	\$16
Economic Development Agency of Canada for the Regions of Quebec	\$14
Department of Natural Resources	\$11
Public Service Commission	\$9
Treasury Board	\$7
Registry of the Competition Tribunal	\$5
Office of the Commissioner of Official Languages	\$3
Canadian Transportation Agency	\$3
Canadian Centre for Occupational Health and Safety	\$2
Canadian Artists and Producers Professional Relations Tribunal	\$2
Atlantic Canada Opportunities Agency	\$1
Canadian Transportation Accident Investigation and Safety Board	\$1
Department of Citizenship and Immigration	\$0.5
Patented Medicine Prices Review Board	\$0.4
Total:	\$4,620



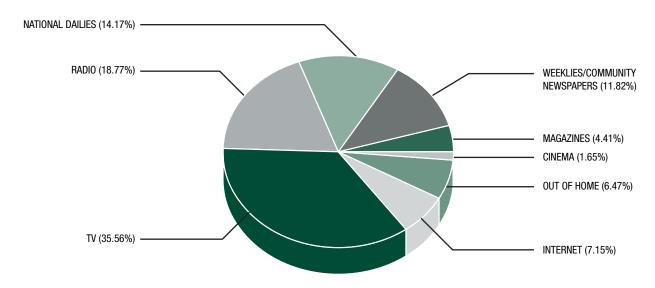




Media Placements by Type

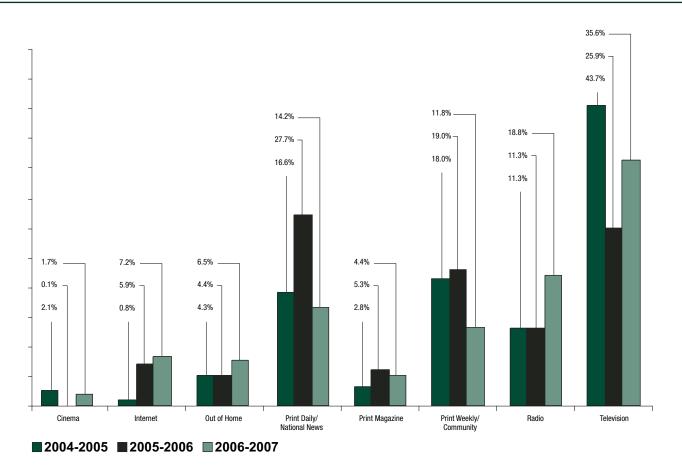
The Government of Canada uses a variety of means to communicate with Canadians. The choice of media is based on sound media planning practices that take into account such factors as research, messaging, media availability, target audience, demographics, circulation, reach, timing and budgets. Institutions must also comply with the *Official Languages Act*. This enables each campaign to reach its intended audience in the most effective and efficient manner and in the official language of their choice. Please note that the Magazines, Radio and TV categories contain expenditures for ethnic, Aboriginal and mainstream audiences.

Figure I—2006-2007 Agency of Record Media Placements by Type



Source: Government of Canada Agency of Record, Cossette Media of Toronto, a division of Cossette Communication Group. Excludes media purchased directly by institutions for public notices.

Figure 2—Agency of Record Media Placements by Type 2004-2005 to 2006-2007



Source: Government of Canada Agency of Record, Cossette Media of Toronto, a division of Cossette Communication Group. Excludes media purchased directly by institutions for public notices.

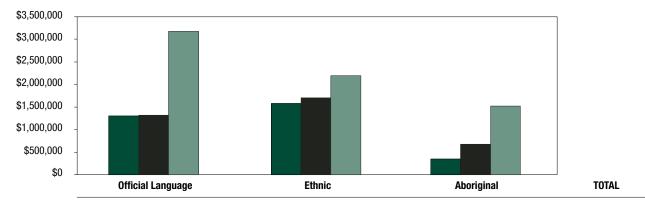
Trends indicate that with the return to normal advertising activity in 2006-2007, placements rose among not only traditionally effective media such as print, radio and television, but also emerging media—specifically the Internet. In fact, federal advertising placements on the Web have increased more in the past three fiscal years than any other media and are more in line with industry trends, which, according to the Association of Canadian Advertisers, represents an average of 10 percent of media.



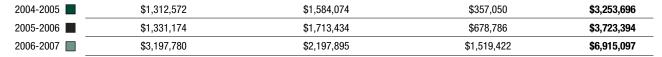




Figure 3—Expenditures in Official Language, Ethnic and Aboriginal Media 2004-2005 to 2006-2007



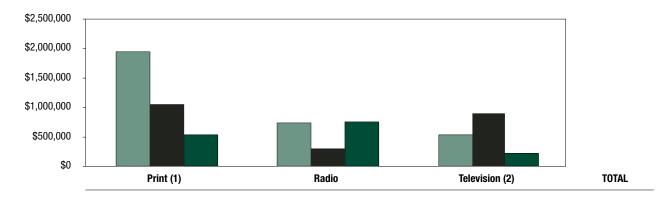
Source: Government of Canada Agency of Record, Cossette Media of Toronto, a division of Cossette Communication Group. Excludes media purchased directly by institutions for public notices.



Expenditures listed are for TV, radio and print media

Figure 4—2006-2007 Expenditures in Official Language, Ethnic and Aboriginal Media

This chart provides expenditures in specialized print, radio and television media aimed at Official Language Minority, ethnic and Aboriginal Communities, in particular.



Source: Government of Canada Agency of Record, Cossette Media of Toronto, a division of Cossette Communication Group. Excludes media purchased directly by institutions for public notices.

Official Language	\$1,938,871	\$730,345	\$528,564	\$3,197,780
Ethnic E	\$1,044,852	\$290,284	\$896,696	\$2,231,832
Aboriginal	\$531,838	\$755,368	\$219,343	\$1,506,549

- (1) The print category excludes spending in magazines.
- (2) Includes spending in selective outlets only. Spending on national networks, such as Radio-Canada, TVA and TQS that reach mainstream audiences in addition to Official Language communities are reported under television in Figures 2 and 3.

An Invitation to Readers

This report has been compiled to inform Canadians about:

- processes and procedures involved in Government of Canada advertising; and
- related activities and events in the 2006-2007 fiscal year.

The government welcomes the comments and questions of all Canadians.

To submit comments or questions, please contact:

Advertising Coordination and Partnerships Directorate

Consulting, Information and Shared Services Branch Public Works and Government Services Canada Ottawa, ON K1A 0S5

Telephone: 613-944-5462 Fax: 613-991-1952

E-mail: adv-pub@pwgsc.gc.ca

GOVERNMENT OF CANADA—NATIONAL CAMPAIGNS

2006-2007 FISCAL YEAR

DEPARTMENTS AND ORGANIZATIONS	MEDIA	MARKETS
CANADA BORDER SERVICES AGENCY		
Western Hemisphere Travel Initiative	Print	National
CANADA FIREARMS CENTRE		
Changes to Gun Control	Print	National
CANADA INVESTMENT AND SAVINGS		
Canada Savings Bonds Campaign	TV/Radio/Print/Internet/OOH	National
CANADA REVENUE AGENCY		
Electronic Tax Services	Print/Internet	National
Charities Public Notice	Print	National
CANADIAN FOOD INSPECTION AGENCY		
Be Aware and Declare!	ОНН	National
Bird Health Basics	Print	National
Be Aware and Declare!—Phase 2 and Avian Influenza	TV/Print/Internet	National
Enhanced Feed Ban Public Notice	Print	National
CANADIAN GRAIN COMMISSION		
Is Your Grain Company Licensed?	Radio/Print	MN/SK/AB
DEPARTMENT OF AGRICULTURE AND AGRI-FOOD		
Cover Crop Protection	Print	National
Farm Debt Mediation Service	Print	National
Add Your Voice To The Discussion	Radio/Print	National
Add Your Voice To The Discussion—Phase 2 (Meeting Support)	Print	National
Notice of Procurement Public Notice	Print	National
Canadian Wheat Board	Radio/Print	National
Renewal Programs Website Public Notice	Print	National
Western Canadian Plebiscite on Barley	Radio/Print	National
DEPARTMENT OF CANADIAN HERITAGE		
Volunteers Needed	Print	National
DEPARTMENT OF CITIZENSHIP AND IMMIGRATION		
Reduction of Right of Permanent Residence Fee	Print	National
DEPARTMENT OF FINANCE		
Budget 2006—Public Notice	Print	National
GST Cut Information	Print/Internet	
DEPARTMENT OF FOREIGN AFFAIRS AND INT'L TRADE		
Trade Commissioner Service Information Campaign	Print	National
International Youth Programs (Travel and Work Abroad)	Print/OOH/Internet	National

DEPARTMENTS AND ORGANIZATIONS	MEDIA	MARKETS
DEPARTMENT OF HEALTH Tobacco Cessation Second-Hand Smoke Home and Car Campaign Healthy Eating Engaging Children in Physical Activity First Nations and Inuit Healthy Pregnancy Advertising Campaign	TV/Internet TV/Radio TV Print/Internet Radio	National National National National National
DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT A New Guide for People with Disabilities Outreach and Points of Service Campaign (Service Canada) Canada Learning Bond and Canada Education Savings Grant Public Notice—A Summer Job—A Stepping Stone to a Career Communications Initiatives on Post Secondary Education Service to Canadians	Print Print Radio/Dailies/Community Weeklies TV TV/Radio/Print	National National National National National National
DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT Public Hearings—Water Notices for First Nations Tax Commission, First Nations Statistical Institute and First Nations Financial Management Board	Print Print	National National
DEPARTMENT OF INDUSTRY Services For Business	TV/Print/Internet	National
DEPARTMENT OF NATIONAL DEFENCE National Recruitment Campaign	TV/Radio/Internet/OOH/Cinema	National
DEPARTMENT OF PUBLIC SAFETY AND EMERGENCY PREPAREDNESS Is Your Family Prepared?—72 Hours	Magazine	National
DEPARTMENT OF SOCIAL DEVELOPMENT Canada's Universal Child Care Plan	Print/Internet	National
DEPARTMENT OF THE ENVIRONMENT Transit Pass Tax Credit	Radio/Print/Internet	National
DEPARTMENT OF TRANSPORT Safety Messages Air Travel Security Measure Safety Campaign—Phase 2	TV/Print TV/Print TV/Print/Internet	National National National
PRIVY COUNCIL OFFICE Internal Inquiry Into the Actions of Canadian Officials	Print	National
PUBLIC HEALTH AGENCY OF CANADA Healthy Pregnancy	OOH/Internet	National
ROYAL CANADIAN MOUNTED POLICE National Recruitment Program	Print/Internet	National
STATISTICS CANADA Census 2006	TV/Radio/OOH	National



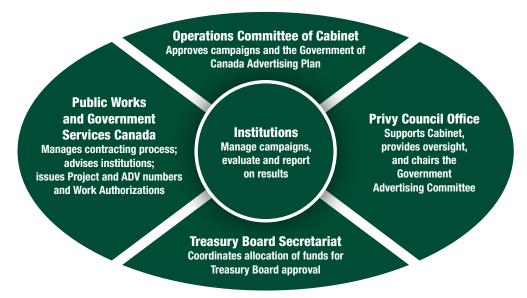






Appendix I

How Advertising is Managed in the Government of Canada



Roles and Responsibilities

Clear roles and responsibilities have been established to manage Government of Canada advertising in a transparent and effective manner.

Major Government advertising campaigns are approved by Cabinet or its designated committee. Funding is approved by the Treasury Board.

Privy Council Office (PCO) has the central role in the coordination of government advertising. PCO is responsible for chairing the Government Advertising Committee (GAC), developing and securing approval of the Government Advertising Plan, recommending the funding allocations to Cabinet or its designated committee, and monitoring the implementation of campaigns by institutions.

The Government Advertising Committee includes the Directors General of Communications from various government institutions, and meets regularly to review all major advertising campaigns being developed by institutions.

Treasury Board of Canada Secretariat (TBS) coordinates, in conjunction with PCO and GAC, the allocation of funds for

government advertising, and the assessment and processing of Treasury Board submissions from federal institutions to obtain funding for approved advertising initiatives.

Individual institutions are responsible for planning and implementing their advertising. Institutions must obtain approval through PCO and funding from Treasury Board for their planned advertising activities, and ensure that their advertising initiatives adhere to applicable legislation, policies and procedures. Institutions are also responsible for managing and paying for contracted advertising services as required, quality control, evaluation and for reporting their advertising activities and expenditures.

Public Works and Government Services Canada (PWGSC) is responsible for contracting advertising services on behalf of institutions. This responsibility includes ensuring the integrity of the contracting process for government advertising, and managing the Agency of Record (AOR) contract to buy media space and time for government institutions. PWGSC also provides advice to institutions on advertising-related policies and procedures, contracting options and media plans. The Department also prepares the annual report on the

Government of Canada's advertising activities and maintains the Advertising Management Information System (AdMIS), which documents government advertising activities undertaken by institutions.

Planning

Federal institutions work with PCO to develop advertising proposals, based on key government priorities, as announced in the budget. The proposal provides a detailed overview of the advertising campaign, including its objective, key messages, and the government priorities it supports. Institutions also consult with other government institutions to identify possible common interests and opportunities for collaboration.

Securing a Contract

Once campaign and funding approvals have been obtained, the institutions requiring the services of an advertising supplier consult with PWGSC regarding contracting options. These options include:

- a call-up against a standing offer (for advertising projects with a financial limitation of \$100,000 or less including taxes but excluding the media buy), selected from a competitively established list of advertising services suppliers;
- a supply arrangement (for individual, well-defined advertising projects that are valued at over \$100,000) where pre-qualified advertising services suppliers are invited to bid; and
- a full competition through MERX to request proposals from advertising agencies (for complex thematic and multi-component advertising projects usually spanning more than one year).

PWGSC issues a contract on behalf of the institution.

Working with an Advertising Services Supplier

With a contract in place, the institution works with the advertising services supplier to produce campaign creative concepts and a media plan that are based on objectives identified in their advertising proposal.

Advertising campaigns must meet all related Government of Canada requirements and regulations, including those set out in the Federal Identity Program, Communications Policy of the Government of Canada, Contracting Policy, as well as the terms of the *Official Languages Act* and its related policies.

The institution approves production estimates and schedules, and is responsible for all administrative and financial procedures and documentation, including entering all required information in AdMIS.

Testing the Creative

For large campaigns, the creative concepts are reviewed by GAC and pre-tested with the target audience through focus groups.

If changes to the creative concepts are needed, the institution works with the advertising services supplier to revise advertising materials appropriately.

Major advertising campaigns are subjected to one final focus test prior to launch of the campaign, in order to ensure that all elements resonate well with the target audience.

Developing a Media Plan

The institution reviews and approves the media plan put forward by the advertising services supplier. The plan and final creative are reviewed by PCO and then by PWGSC for compliance with applicable government acts, policies and regulations.

Once approved, the media plan is entered into AdMIS and the institution receives an ADV number from PWGSC. PWGSC also authorizes the advertising AOR to purchase the media space and time according to the media plan.

Institutions have the option of purchasing media space for public notices directly from media outlets. Generally, institutions purchase media directly for public notices that are local or regional in nature only. These may include announcements of public hearings, offers of employment, calls for tenders, or changes to business hours.

Evaluating the Campaign and Reporting Results

A post-campaign evaluation, using the Advertising Campaign Evaluation Tool (ACET), is mandatory for all advertising campaigns in which media buys exceed \$400,000. Institutions work with PWGSC to hire a research firm. The evaluation tracks audience recall of the campaign and gauges audiences' understanding of, and response to, the advertising. Effective 2008-2009, the threshold of \$400,000 will be increased to \$1 million for post-advertising campaign evaluations.







Appendix II

Transparency Measures

The Government of Canada continues to ensure fairness, openness and transparency in the management of its advertising activities by making publicly available the evaluation criteria and methods used in the tendering process for contracts, as well as the results of the advertising process.

- Approved funding for advertising initiatives is posted on the Treasury Board of Canada Secretariat's Web site: http://www.tbs-sct.gc.ca/index e.asp
- Information on all advertising-related contracts is posted on the Business Access Canada Web site, including:
 - call-ups issued to the advertising services suppliers on the standing offer lists;
 - contracts awarded through competitions among the firms that pre-qualified for supply arrangements;
 - contracts awarded for larger campaigns following a competitive process using MERX; and
 - work authorizations for media placement services issued to the Agency of Record.
- Government institutions must post advertising contracts over \$10,000 on their respective Web sites.
- The government's advertising activities are also made public through the release of this annual report.

These practices ensure confidence in the advertising process and provide up-to-date information and consistency in reporting.

Appendix III

Glossary

Advertising: During the 2005-2006 fiscal year, advertising was defined in the Treasury Board Contracting Policy as including:

- All activities involved in the purchase, by or on behalf of the government, for the development and production of advertising campaigns and associated space or time in print or broadcast media, or in other mass media, such as outdoor and transit advertising.
- Any collateral materials such as posters, counter displays, and printed material such as inserts that are a direct extension of an advertising campaign. Public Service Announcements are also considered advertising.
- Public relations, special events, direct marketing and promotion activities that are an extension or form part of an advertising campaign are included in the definition of advertising.
- Paid announcements such as public notices regarding tenders, sales, public hearings, offers of employment, and business hours and addresses may be placed directly with the media by departments and agencies.

Note: The definition of advertising was revised in August 2006 and moved to the Communications Policy of the Government of Canada. The new definition is below.

Advertising: In the amended Communications Policy of the Government of Canada, effective August 1, 2006, advertising is defined as any message conveyed in Canada or abroad and paid for by the government for placement in media such as newspapers, television, radio, Web, cinema and out-of-home.

Advertising Campaign Evaluation Tool (ACET): A telephone survey that uses a set of standardized questions to provide quantitative evaluation of government advertising activities. Institutions are required to use ACET for advertising campaigns that exceed \$400,000 in paid media. Effective 2008-2009, the threshold will be increased to \$1 million.

ADV Number: A media placement number issued by the Advertising Coordination and Partnerships Directorate of PWGSC to an institution to confirm that their advertising creative and media plan has been reviewed for compliance with government legislation, policies and standards. The ADV number also authorizes the Communications Procurement Directorate to issue a work authorization to the Agency of Record to implement the media plan.

Advertising Management Information System (AdMIS): A system managed by Public Works and Government Services Canada enabling departments to access information related to government advertising and fully document Government of Canada advertising activities (including project information and expenditures) throughout the life cycle of each advertising initiative.

Advertising Services Supplier: A private sector supplier selected through a competitive process to provide a government institution with advertising services such as strategic planning, creative and production services, and media planning in support of an advertising initiative.

Agency of Record (AOR): A private sector supplier—selected though a competitive process and under contract with the Government of Canada—that negotiates, consolidates, purchases and verifies advertising media time and space for Government of Canada advertising.

Call-up Against a Standing Offer: See "Standing Offer."

Gross Rating Points (GRP): A measure of the advertising weight, or penetration, delivered by media within a given time period according to a formula in which the frequency of an advertisement's appearance is multiplied by its reach. For example, an advertisement seen an average of 10 times by 20 percent of adults aged 25 to 54 would achieve 200 GRPs for that segment of the population.

Insert: A promotional method in which a print advertisement or promotional item is inserted into a newspaper, plastic bag or the plastic wrap of a magazine.







Media Buy or Placement: The purchase of advertising time or space from a media outlet such as: television station, radio station, newspaper, magazine, Web, cinema or out-of-home.

MERX: The electronic-tendering system used by the Government of Canada to post searchable procurement notices and bid-solicitation documents for access by suppliers and contracting officers. For more information, please see the MERX Web site.

Out-of-home: An advertising medium to which audiences are exposed only outside the home. These media include mall posters, billboards, and bus and transit-shelter ads.

Post-testing: An evaluation of the effectiveness of an advertisement or other communication product after it has been launched to its intended audience. Examples include day-after recall studies and telephone and readership surveys.

Pre-testing: Any generally recognized qualitative research procedure used to evaluate the likely audience reaction to an advertising campaign or its components. Pre-testing occurs prior to a campaign's launch to the public. For example, a proposed advertisement, creative concept or text may be tested with a focus group that is drawn from the intended audience.

Public Notices: Paid announcements such as those regarding tenders, sales, public hearings, offers of employment, and business hours and addresses. Such notices may be placed in the media directly by government institutions.

Reach: The percentage of a target audience accessed once by a media vehicle or a media schedule.

Request for Proposal (RFP): A formal government document, posted on MERX, through which companies are invited to submit proposals for creative advertising work on complex thematic and multi-component projects usually spanning more than one year. Proposals are evaluated according to criteria detailed in each RFP. Contracts are awarded through a competitive process in which selection is based on a combination of technical score and price that offers best value.

Standing Offer: An arrangement in which advertising services suppliers qualify to provide the government with goods and services at pre-arranged prices, under set terms and conditions, and for specific periods of time on an "as requested" basis. A standing offer is not a contract. In fact, no contract exists until the government issues an order or "call-up" against the standing offer, and there is no actual obligation by the Government of Canada to purchase until that time.

For individual, well-defined advertising projects that are valued at up to \$100,000 (not including media buys), a competitive solicitation process is used to establish standing offer lists of qualified national and regional advertising services suppliers. The selection is based on an evaluation of the technical and financial proposals submitted. Standing offers are generally in place for two-year periods. Call-ups for each advertising campaign are made according to a preestablished formula.

Supply Arrangement: A method of supply where bids are requested from a pool of pre-screened advertising services suppliers. A supply arrangement is not a contract.

For individual (one theme), well-defined campaigns, valued at over \$100,000 and having no financial limit (not including media buys), a list of supply arrangements with pre-qualified advertising services suppliers is established and in effect for a period of two years. Advertising services suppliers are selected on the basis of the technical capabilities demonstrated in their submissions. All pre-qualified advertising services suppliers are invited to bid on each advertising requirement in this value range. Advertising services suppliers are then selected according to evaluation criteria detailed in the invitation for bids, and based on an evaluation of the technical and financial proposals submitted.

Work Authorization: A written authorization, issued by the contracting authority at the request of the program or project authority, to the Agency of Record to purchase advertising media space and/or time from media suppliers.

Appendix IV

Government of Canada Advertising Expenditures —A Five-Year History

A Year of Review: Annual Report on the Government of Canada's Advertising 2002-2003

The Government of Canada spent more than \$110 million in 2002-2003 to keep Canadians informed of programs, services and initiatives. It continued to produce significant and innovative advertising campaigns while the advertising process underwent extensive change. The following are some key campaigns from that fiscal period:

- Spring 2003 Tax Filing Campaign;
- Smoking Cessation 2003;
- Canada Site Campaign;
- Canada Savings Bonds;
- Canada's Permanent Resident Card; and
- Climate Change.

A Year of Renewal: Annual Report on the Government of Canada's Advertising 2003-2004

In fiscal year 2003-2004, the Government of Canada spent \$69.8 million on advertising to promote government programs, services and initiatives. The government launched the following major campaigns, while implementing changes to the management of the advertising process in government:

- Canadian Forces Recruitment;
- Smoking Cessation 2003-2004;
- Services for Children (National Child Benefit); and
- International Youth Program (University of Life).

Renewal in Action: Annual Report on Government of Canada Advertising Activities 2004-2005

In the 2004-2005 fiscal period, the Government of Canada spent \$49.5 million on advertising initiatives. This was the first year of implementation of the new government advertising process. Some of the key campaigns were:

- Canada Savings Bonds;
- One-Tonne Challenge (Climate Change); and
- Government of Canada E-Services (Canada Benefits Site and the Business Start-up Assistant Site).

Sustained Commitment: Annual Report on Government of Canada Advertising Activities 2005-2006

During the 2005-2006 fiscal period, the Government of Canada spent \$41.3 million on advertising campaigns and public notices. Resulting from the commitments made in the *Federal Accountability Act* and Action Plan, the President of the Treasury Board of Canada announced new measures to ensure accountability in advertising. The following is a breakdown of some major advertising campaigns included:

- Year of the Veteran;
- E-services for business; and
- Canadian Forces Recruitment.

For a more detailed description of the above-mentioned advertising activities, please visit http://www.pwgsc.gc.ca/adv/text/index-e.html under the heading: Advertising Annual Reports.