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Government of Canada
Department of Communications

Gouvernement du Canada
Ministère des Communications

REPORT

GOVERNMENT DATABASE COLLOQUIUM

JUNE 16, 1989

OTTAWA

PREPARED BY Mitchell Beer, Infolink

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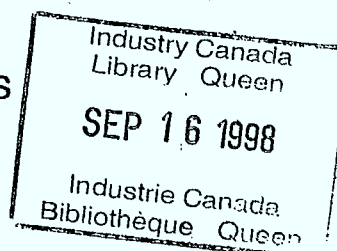
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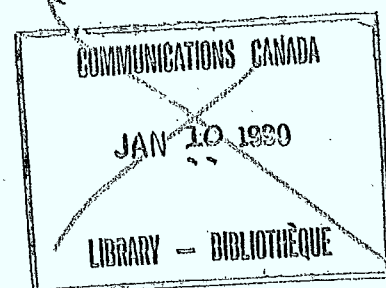
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AGENDA
GOVERNMENT DATABASE COLLOQUIUM
MAIN HALL
CANADIAN GOVERNMENT CONFERENCE CENTRE
JUNE 16, 1989

PURPOSE: To assist Federal Government Institutions in understanding the benefits (productivity, improved services and cost avoidance) to be gained from working with the Database Industry to make their information more readily accessible to the private sector.

CHAIRMAN: Roy Marsh DOC

9:00 Introduction to the day Richard Stursberg DOC

9:30 Keynote Speech Barbara Hyland, Globe and Mail

10:30 COFFEE

11:00 Copyright Lesley Harris DOC

11:30 Government Information Policy Peter Gillis TBS

NOON LUNCH (some exhibits)

1:30 Panel

The Good, the Bad and the Ugly (You too can have a database application)

Chair Jane Cooney Canadian Library Association

Cost Avoidance/Cost Recovery Jim Quinn, TBS

Publishing Pat Horner, SSC

Charging/Rate Structure Ernie Boyko, Statistics Canada

What's in it for me as an ATIP Coordinator Stephanie Perrin, DOC

3:15 COFFEE

3:45 Case Studies.

Trade Marks Database

Consumer and Corporate Affairs

Geographic Information Systems

Energy Mines and Resources

4:45 Closing

Resource persons from the Interdepartmental Working Group will be wearing **BLUE** ribbons.

Simultaneous translation is available.

STURSBURG STRESSES EFFECTIVE UTILIZATION

Following a brief welcome from Roy Marsh, Chair of the Interdepartmental Working Group on Database Industry Support (IWGDIS), the colloquium got under way with an introduction delivered by Richard Stursberg, Assistant Deputy Minister of Technology, Research and Telecommunications at the Department of Communications (DOC).

Mr. Stursberg noted that organizers had been "enormously struck" by the strong interest expressed by federal institutions when the colloquium was first announced. Members of the IWGDIS had a sense that the issue of database utilization was important, both for the internal operation of government and for the relationship between government and industry, he said. "But I must say I'm surprised and pleased to see how many people share this view and how many people have taken time to come here today." With over 180 registrants representing more than 70 federal institutions, he said the colloquium represented a major step in a process that would culminate with a meeting between government and industry in the months following.

"The real purpose of the discussion today is to talk about the issue of how we can most effectively utilize databases and database technology and how we can encourage the commercialization of the databases that are present within the large government departments," Mr. Stursberg said. Discussion of the IWGDIS document on database licensing, he said, will ideally lead to the development of "a set of guidelines in the narrower sense; that is, a set of generally understood arrangements with respect to how departments should conduct themselves with respect to commercializing and accessing their databases." At the same time, the development of draft or model commercialization agreements will help departments grapple with the "very sensitive and difficult questions" associated with commercialization.

Noting that the cost of public sector survey information collection was estimated at \$750 million in 1984-85, with much more spent on the collection of administrative data and that a number of departments "are already very much at the cutting edge of these kinds of developments," Mr. Stursberg cited differences in the development of the database industries in Canada and the United States. "There is no Crown copyright associated with databases held by large federal departments" in the U.S., he said and some observers believe this "relatively unfettered access" has helped stimulate the phenomenal growth of the industry. In Canada, government will be challenged to share information more effectively, develop a better understanding of available technologies and seek "the most effective relationship between government and industry for this purpose."

With the release of a November 1986 Green Paper on information technology, followed by a May 1988 colloquium on the electronic information industry at the

Canadian Workplace Automation Research Centre (CWARC), Mr. Stursberg said, DOC has had a number of opportunities to hear industry views on this issue. At CWARC, participants indicated they were interested in government procurement, not subsidies; that they required access to government-held information to put them on an equal footing with their U.S. competitors; and that institutional support from the federal government could take the form of more consistent licensing arrangements and less direct competition.

Mr. Stursberg noted that a private supplier has become involved in an initiative to provide an integrated communication and information system to deputy and assistant deputy ministers, "and then drift it downwards from there" to cover a wider group of federal managers.

As well, the formation of the IWGDIS has provided a forum to address issues related to government databases, "both from the point of view of using them more efficiently within government on one hand and with respect to the relationship with industry on the other." With membership drawn from DOC, Treasury Board, Supply and Services Canada (SSC), Secretary of State, Statistics Canada and the Department of Energy, Mines and Resources (EMR), the IWGDIS will be responsible for the development of licensing guidelines that reflect current regulatory provisions relating to privacy, access to information and copyright. This gathering, he said, would provide departments with an important opportunity to pass on their views, concerns and perspectives to the IWGDIS.

INDUSTRY GROWTH BRINGS NEW OPPORTUNITIES, HYLAND SAYS

In a keynote address, Barbara Hyland, Director of Marketing and Information Services at The Globe and Mail in Toronto, reviewed the recent growth of the electronic information industry and suggested a range of opportunities and challenges for the months and years ahead.

Recalling a sense among many participants that the 1988 colloquium had involved a fair amount of "government-bashing", Ms. Hyland expressed her hope that the atmosphere would be different this year. "I really feel there's a lot we can be doing together to improve the industry," she said, "and I'd really like to welcome and congratulate that effort" on the part of the federal government.

Turning to the development of the database industry, Ms. Hyland noted recent statistics that suggest important directions for future growth.

- * According to the Directory of Online Databases, which Ms. Hyland described as "the bible of the industry", the number of databases has increased tenfold since 1980. With more than 4,000 databases now in operation around the world, the growth rate stands at about 20% per year.
- * Over 2,000 database producers are in operation and their numbers are increasing at an annual rate of 15%.
- * The number of online service companies is also increasing at 15 to 20% per year and Ms. Hyland noted that the number of passwords issued by InfoGlobe had increased by 80 to 100 times in the course of the decade.
- * At the same time, she cautioned that the top 10 databases in the U.S. account for 80% of the market and most databases lose money. "The well-known databases like Chemical Abstracts and The New York Times are the ones that support the online vendors", Ms. Hyland said. In Canada, InfoGlobe is one case where a "well-known newspaper database supports a great many of our experimental ventures."
- * In Canada, according to a study by Evans Research Corporation, the largest demand is for numerical information. Financial statistics worth \$15 to \$25 million per year account for 49% of the market, while full text searching represents 23% and bibliographic references 12%. While demand for numerical databases is expected to grow by 10% per year, use of textual online information will increase by 20 to 30%. Evans projects that total online revenues in Canada will reach \$81 million by 1991, for an annual growth rate of about 14%.
- * While industry, government and the financial sector represent 70% of InfoGlobe passwords, Ms. Hyland said the home market "is beginning to be

quite an interesting segment" at about 20%. These users are primarily interested in stock market information, she noted: "It's not that they're reading the newspaper online every day, much as I wish they were."

Ms. Hyland identified a number of other changes that are expected to touch the industry in the short to medium term. When Evans surveyed large organizations, it found that intermediaries or information specialists perform 95% of the searches. At InfoGlobe, by contrast, over 20% of the searches for large and small organizations are conducted by end users. "I am convinced that the trend to end user searching is going to continue," Ms. Hyland commented.

The growing hands-on involvement of end users in accounting and financial specialties shows that "those people are clearly comfortable with computers and clearly are comfortable doing the work themselves", she said. This development, combined with the explosion in the use of personal computers, means that 60% of these end users have had no training in online searching. "End users, I think, are more willing to jump in and try things."

Some things never change. Ms. Hyland said the quality of data -- as defined by suitability, reliability, comprehensiveness, availability and frequency of update -- is still the most important factor in the success or failure of a database. Marketing is important, she said, but "more than anything else you have to get close to your customer if you're going to have a successful database." Cost has been suggested as a key factor, but an InfoGlobe survey found users were much more concerned with ease of use. Above all, she stressed that the information users can derive from the data is much more important than the data as such.

Other changes in the years ahead will include:

- * The continuing, "massive" growth in microcomputer use and in users' comfort with computer equipment;
- * A trend towards more convenient use of equipment and online services;
- * A wider range of choices in the industry, combined with a greater ability to exploit market niches as technology costs decrease;
- * Heightened demand for current, timely information;
- * Growing use of CD-ROM where timeliness is not a factor;
- * An "exploding" market for facsimile that has already translated into an advance, fax edition of one U.S. daily newspaper;
- * Continuing interest in videotex;
- * A "huge proliferation" in local area networks to follow the growing use of microcomputers.

Demonstrating that new technology means new opportunities, Ms. Hyland described a customized electronic clipping service that InfoGlobe has developed for clients with executive information systems. "Information science, which up to now has been hidden away in libraries, is going to come out of the closet if we can provide the right tools to meet this need." Government can support and hasten this trend, she said, by:

- * Supporting applied research to build a better understanding of the way in which online technology is used;
- * Improving the flow of government information to the market, based on the combined insights of "some good and some less successful experiences";
- * Ensuring separation of carrier and content, that is, the networks must not control the content of the information;
- * Funding its libraries and researchers to purchase privately-distributed online information.

Regarding the impact of free trade, Ms. Hyland noted that "we've always had free trade in online information and, while there have been some changes in the government procurement policies under free trade, I am a firm believer that we can produce databases as well as anyone else -- I don't think we need special treatment. I believe the Canadian online industry is just as capable and probably a lot more efficient than our cousins to the south, probably because we've had to be to survive."

COPYRIGHT LAW PROTECTS DATABASES, LESLEY HARRIS ASSERTS

Despite the current controversy over copyright protection for online data, a federal copyright law specialist told participants that current copyright law is sufficient to support operators' proprietary right to their data holdings.

"The truth of the matter is that electronic databases have been protected by copyright law, even before they were imagined", said Lesley Harris of DOC. The amendments to the Copyright Act of 1924 passed in June 1988 and the second-stage review now under way will update the legislation, she explained, but the overall approach will remain the same. In fact, "the basic structure of all copyright laws right around the world is very similar."

Antiquated though it may be, Ms. Harris said the 1924 Act has adapted well. A category of "protected works" includes compilations and collections of materials, provided that the process of compiling has involved original labour and skill. Databases are protected under this heading, both in hard copy and electronic form. As well, updates to the Act aimed at incorporating new developments in technology will explicitly identify databases as protected works.

Ms. Harris said "electronic information" may also be protected as a literary work. Under this heading, she explained, "copyright does not protect ideas or information. It protects the form of expression in which the idea is fixed," so that the documentation can be used but not reproduced: a reader of a home construction manual could build a house without infringing copyright, but would not have the right to reprint the manual.

In practical terms, Ms. Harris said, copyright protection enshrines the right to derive commercial benefit from a work. "It's the right to make some money back on all the costs incurred in compiling and collecting the information into a database, as well as storing it." Protection includes the right to reproduce, publish, translate or adapt the material, as well as the exclusive right to market it or authorize its use.

For federal databases, she stressed, all copyright reverts to the Crown for a period of 50 years from date of publication: as federal employees, "if we create a database as part of our job, the government owns copyright in that database." This means internal databases and hard copy documents are protected in perpetuity, "unless or until they are published or issued to the public." Works in the public domain can be used or reproduced freely.

Any copy of a protected work must be authorized in writing and authorization can be contingent upon payment of a royalty or limited as to geography or time. Regarding unauthorized copying of a work, a member of the audience asked if a news report or other summary of a protected work would violate copyright, even if the report represented some alteration of the original document. Such

situations are always a question of fact, Ms. Harris pointed out. It depends on the "quality" of the portion copied as well as the quantity copied. Ms. Harris also said there is no copyright in the news itself, just as there is no such protection for information or ideas.

GILLIS STRESSES GOOD INFORMATION MANAGEMENT PRACTICE

Administration of government information holdings opens up a whole new world of challenges that will be best addressed through the development of sound management practices, according to Peter Gillis, Chief of the Information Practices Policy Group of the Administrative Policy Branch, Treasury Board Secretariat.

"We're launched on something quite new and I guess we feel sometimes that we're out there surfing on a wave that is quite unknown as to its eventual form and content," Mr. Gillis said. "There are no textbook solutions, so I can take you to a certain point and then, together, we'll have to go on from there."

Over the past decade, he explained, Treasury Board has had to undertake a complete revamping of information policies. Past policies had been rendered obsolete by advances in information technology; the need to meet the challenges of modern government organization, such as end-user computing; and demands from the public for more open and transparent government transactions. At this point, in a policy sense, "the roof is over half shingled and we've still got some distance to go." The Secretariat's activities in this area have been guided by the following perspectives:

- * Parliament has already established an information law superstructure through such measures as the Copyright Act, the Access to Information and the Privacy Act and amendments to the Criminal Code concerning the integrity of computer systems. The government has also moved dramatically in this area with new policies on communications security and Management of Government Information Holdings. Combined, this framework "puts a new discipline on information practices within government," Mr. Gillis said. "Sometimes it may look like it's taking you to a nirvana and other times it may look like it's taking you to purgatory. But the framework is there for departments to move in a creative and innovative manner, to better manage their information holdings"
- * The growth of personal databases represents a "significant challenge, because it's putting the operational person or the user right back into information management." In addition to changing dynamics within departments and agencies, this development affects the establishment of an "enduring record" of government activities that will always be required "so that officials can do their job, so government departments can demonstrate that they do fulfil their obligations and so that we have an archival record down the road."
- * This proliferation also means that wider use of government data "starts right in your department", Mr. Gillis noted. Within government, sharing of data among users in different parts of the country has been recognized as a key

factor in operational efficiency and cost control. Accurate, long-term information is also important as a means of ensuring managerial continuity, in a setting where personnel are often shifted and managers expected to quickly grasp new policy and program milieux.

Treasury Board is involved in a number of initiatives to meet these various challenges. A focus on information and information systems as corporate resources has led to greater emphasis on strategic planning and improved information management infrastructures. Based on a life cycle related to information management, this represents a degree of managerial responsibility that is really quite new. On the technology side, standards development will be of critical importance in ensuring the effectiveness of information sharing within government.

Regarding information management practices, Mr. Gillis presented a detailed table depicting the relationship between "a whole host of information areas," including management of holdings, department accounting of all its holdings, access, privacy, security and communications policies. These interrelationships need to be emphasized in departments and the previously parallel streams of information practices brought into a more coordinated approach which stresses the value of information holdings as a corporate resource.

The following principles apply to the dissemination and use of government information:

- * The goal of Treasury Board's holdings policy is to ensure accessibility of information to decision-makers and more ready availability to the public where appropriate.
- * Public reference systems and direct communication measures are to be utilized to ensure that information is disseminated in instances where the government has a duty to inform.
- * Information should be made available for purchase where there is a significant public demand for a document.

In general, Mr. Gillis said, the federal information policy introduces the user-pay principle except where there is a duty to inform. It opens the door to the purchase of government databases or indexes thereof and establishes a costing framework for responding to public queries. And, ultimately, it reflects a response to the "considerable worry that everything would be pushed into the Access to Information stream" that arose when access legislation was enacted in the early 1980s.

The effect of this shift is "not to get away from the Access to Information Act, which is an important final guarantee," he explained, "but rather to say there are other ways of doing it. They have existed in the past and they should exist in the

future and be made more effective in order to meet the legitimate publications to be better informed of government activities to use information created or used through government program or operation. We should be moving toward the 21st century and we think we should really be doing some things which indicate government information holdings have value both in informing the public and in permitting the use of expensive information sources.

Any government has information it would prefer "to hold very close to its vest", Mr. Gillis said, but it's time for departments to start looking "at different layers of information. There is that very vital, national interest type of information or information from other governments, individuals and business which should not normally be released. But for the vast majority of government information that does not fall into those categories, we should be looking at other ways of making it available." Indeed, access requests are a barometer of interest by some groups as to types of information which should be more generally available. For instance, businesses have been major users of the Access to Information Act. They wish to obtain proprietary data, competitive information and information which can be repackaged and sold. It seems sensible that departments should look at ways of making much of this information available outside the Act in a way which will meet demand while accruing some monies to the Crown as opposed to costing major resources.

Licensing of databases might be one appropriate mechanism for releasing information, especially for departments facing 1,500 to 2,000 requests for a category of information "that probably, in the end, could be put into a database," Mr. Gillis stated. In some small agencies, "even 60 or 70 requests can bring you grinding to a halt." For almost any given situation, "the number one solution is to ask why you're getting that many access requests; is there a legitimate demand for the timely release of information to a public out there which has need of it. That, for the purposes of this presentation, is a most important question and very rapidly it is becoming an important management question which strikes at the heart of credible public administration."

DATABASE APPLICATIONS CAN MEET MANY OBJECTIVES, PANELLISTS SAY

Key dimensions of database commercialization received in-depth consideration in the course of an afternoon panel discussion, entitled:

The Good, the Bad and the Ugly: You Too Can Have a Database Application.

Jane Cooney, Executive Director of the Canadian Library Association and chair of the session, opened the discussion by noting the role of professional librarians as "a very large group of information users". Most of the 4,000 electronic databases now in operation world-wide "were actually developed by or with the assistance of librarians," she noted, "so we've been very, very involved in the kind of business that you're very involved in too."

Access to information remains "a very big issue" within the library community, Ms. Cooney said, "and we're very anxious to work with you. We're well aware of the problems that you have, the financial impediments to your doing what you want to do and the libraries are experiencing the same thing. We really ought to be making a greater effort to understand each other's needs and to work better to meet the needs of our ultimate users, who are basically the Canadian public."

Cost Avoidance/Cost Recovery: A Treasury Board Perspective

Jim Quinn, Program Analyst in the Program Branch of the Treasury Board Secretariat, said the government's cost recovery policy was initiated in the late 1970s, but was put on hold during the period of data inflation measures. The general policy had been articulated in the 1984 Expenditure and Program Review initiative, which "made clear that the government expected people receiving benefits...that would go beyond the public good (public good being narrowly defined) should perhaps pay for those benefits." He identified two key issues that tend to come up in cost recovery discussions: the question of whether cost recovery might compromise program objectives and the matter of how a line manager can get access to the revenues generated for the program.

A policy paper on cost recovery was published "in consultative draft form" in 1986 and should be issued in final form by the fall of 1989. The policy framework and basic principles will remain unchanged.

Mr. Quinn stressed that cost recovery is not intended to compromise program or policy objectives; if it will, full recovery may not be appropriate and program

staff should ensure that relevant factors are taken into account. The overall objectives in applying cost recovery principles to government information are to:

- * Foster greater equity by ensuring that beneficiaries pay for services they receive;
- * Bring market forces to bear on the supply and demand dynamic for government publications;
- * Encourage the provider of a service to be more accountable for the quality and efficiency of the service; and
- * Contribute to deficit reduction.

He cited earlier discussion of InfoGlobe's distribution of the federal budget and other Finance Canada documentation as an example of picking up on an opportunity to involve the private sector, on a cost recoverable basis, in the distribution of government information.

What to charge for government information is always a controversial subject, Mr. Quinn stated, since it has a bearing on accessibility. As a general rule, he said the full cost of developing and marketing a database should be determined, though "that doesn't necessarily imply that we're going to recover all those costs." While officials should know what the cost of producing the product is, the pricing decision is separate and has to take into account program and other considerations. In some cases, only a portion of costs may be recovered, while in others, where the value of the information exceeds the cost, it may be appropriate to recover more than full cost through some form of royalty regime.

For many government information managers, Mr. Quinn noted, the matter of incentives is central to any discussion of cost recovery. Introducing a cost recovery regime in the public service can be very difficult -- it is very complex administratively and often means charging for something your clients have learned to expect to get for free. Managers are naturally saying they want something back for their programs if they are to take on this task.

Mr. Quinn said, however, that a general regime of financial incentives is not possible, because "any incentive regime has got to promote policy objectives and there are a number of considerations." Consequently, each case must be looked at on its own merit. For example, with the squeeze on operating budgets in recent years, services may have been cut back and Ministers might consider resources to improve levels of services as part of a cost recovery initiative, or be willing to use cost recovery as a means of responding to new demands.

Publishing: The Canadian Government Publishing Centre

Describing publishing as "a creative way to provide access to information", Patricia M. Horner, Director of the Canadian Government Publishing Centre (CGPC), explored opportunities her organization can offer to the holders of government databases.

"I want to know how I can offer up carrots, because I want to work with you," Ms. Horner said. Discussion of government publishing is often confined to Hansard, legislation and "other products like Senate debates," she noted. But government information "has an incredible market value...There are folks out there who are prepared to pay and they're prepared to pay at several levels" for access to raw data or to information in more sophisticated form.

Key questions are "how to deal with this business of charging," and how to serve users who can't afford to pay. Ms. Horner said Chapter 480 of the Administrative Policy Manual provides a powerful tool for information managers in this regard. "I never thought I'd get up publicly and say the Administrative Policy Manual was a powerful tool," but the chapter in question sets out the options a department must pursue to meet an identified public demand to purchase information.

For CGPC, publishing goes beyond the print medium. It also means making information available in the form that is most useful to the client. The only caveat is that, with electronic publishing, "you may to some degree be disenfranchising some individuals for whom electronic products are not accessible," she noted. "It's an access issue, it's important and don't ever lose sight of it."

Ms. Horner said the Crown copyright that applies to all government information represents a unique opportunity for federal agencies -- not only as a means of deriving revenue from their information holdings, but as a mechanism for ensuring accessibility. "There's nothing wrong with going into the marketplace, being proud of your information and collecting money for it. But you also have access as a responsibility...Remember there are taxpayers out there who cannot pay the price --or more important, if they can pay the price, they don't know how to use the product in electronic form."

Tracing the recent financial history of the CGPC, Ms. Horner affirmed that it is possible to turn a deficit in the order of \$2 million into a profit of almost \$1 million. Key factors in CGPC's recovery included:

- * Presentation of a detailed costing proposal to Treasury Board;
- * Use of the costing proposal as a tool for explaining the rationale for product prices, recognizing that "if you can't explain how you cost your products you will never be able to sell them";

- * Development of detailed expenditure records, to demonstrate the way in which overhead and other operating costs are built into product prices;
- * Identification of products for which it was possible and appropriate to charge full market price.

In the development of information distribution arrangements, Ms. Horner urged participants to hold out for the most beneficial form of agreement, avoid any damage to the Crown and, "most of all, be creative. See this as a business opportunity. Don't feel that because you're the feds, you have to be apologetic. We can cut as good a deal as anyone."

Charging/Rate Structures: Statistics Canada

Ernie Boyko, Director of Electronic Data Dissemination at Statistics Canada, noted that pricing structures for electronic data bases depend on a host of factors, including organizational objectives and mandate, the products and services involved, the market, mechanisms of sale and product availability. "I wish I could say there was an easy way to do all of this," he said, but "pricing is really an art form."

Statistics Canada entered the electronic information business with a long-standing mandate to make information freely available, as well as a more recent challenge to recover \$25 million, or about 10% of its annual budget, through the sale of standard or customized services. Any part of the \$25 million that the agency fails to recover will translate into a budget reduction, Mr. Boyko noted, "so it's very important for us to do this and do it right."

The CANSIM database, for which Mr. Boyko is responsible, is one Statistics Canada product that is provided through private vendors on a cost-recovery basis. Distribution contracts are awarded competitively every three to five years and several secondary distributors are authorized to handle specific portions of the overall database. Through a combination of licence and user fees, CANSIM has recovered \$1 million against total costs of \$1.4 million; no effort is made to recover the cost of services used in-house from the public.

Online distribution of census data has not worked as well, Mr. Boyko said. In 1986, Statistics Canada discontinued census-related product lines that were not selling well, introduced a diskette service while continuing to sell data on tape and attempted to launch a secondary distribution network based on a 25% royalty arrangement, all in the context of a \$10 million overall sales target. Launching this service "has been a very painful and tortuous process," he stated, but the network should be in place in time for the 1991 census.

At present, while CANSIM is distributed almost entirely by the private sector, Statistics Canada is still very much involved in distributing census results. "It's too soon to evaluate the success of the census secondary distribution program, but I'm optimistic that it will probably survive into the 1990s." Related databases, such as a well-known Statistics Canada product entitled Inter-Corporate Ownership, also generate revenue from distribution royalties and user fees.

To set appropriate prices for electronic information, Mr. Boyko said federal managers should:

- * Realize the information is probably worth more than they would have thought;
- * Use the cost approach to pricing as a starting point;
- * Base pricing on industry parallels, where appropriate;
- * Be prepared to adjust pricing structures to the way third-party distributors or value-added vendors do business;
- * Recognize that granting of a sole licence usually involves some kind of competitive process and that selection of several non-exclusive distributors can be much simpler;
- * Bear in mind that licensing is often an easier route than procurement;
- * Avoid the "temptation to compete against yourself," for example, by producing diskette copies of documents that undercut online distributors' market.

What's In It For Me As An Access to Information and Privacy Coordinator

Stephanie Perrin, Access to Information and Privacy Coordinator for DOC and President of the Canadian Access and Privacy Association, described the delivery of records in electronic form as a process of "grief avoidance". Decisions often tend to flow towards departmental access offices whenever questions arise about the release of a particular document, although there are a number of informal delivery mechanisms through which paper documents are distributed.

Database designers are not accustomed to think in terms of public access or release and the holders of information are often reluctant to admit that particular records exist or recognize that their personal databases are covered by the Archives Act. Yet federal departments are obliged to release information in response to an access request, unless the information is exempt or its release would impede operational activities. In this environment, Ms. Perrin said, a number of considerations arise:

- * Assuming the information is appropriate to release and convenient to produce, "which is a heck of an assumption," the fees departments are allowed to charge probably fail to reflect the true in-house cost of responding to the request. Even if fees meet costs, departments cannot recover the revenue to their own budgets.
- * If information release was not considered when the database was designed, the presence of sensitive information in the system may block release and lead to an extended court challenge. If portions of an electronic record are to be released, the process of deleting exempt portions can be costly and time-consuming. "It's obviously easier to avoid (the problem), by setting up a database for some form of public release to begin with."
- * The exemption for requests that would interfere with a department's operational effectiveness becomes increasingly relevant in a busy office, where staffing has been reduced.
- * It will only be a matter of time before users begin requesting information in electronic form, as opposed to print. When they do, departments will require the capability to respond.
- * Copyright provisions do not affect accessibility under the Access to Information and Privacy Act. While it is important to protect the value of federally-generated research and statistics, Ms. Perrin said, "this should not be used as a tool to frustrate access carte blanche." At the same time, Crown copyright must be protected after information is released.
- * It is inevitable that the first user to arrive with an innovative or unexpected request involving copyright material will get a price break, while federal officials determine a fair cost for the use of the information, for future requests of a similar nature. Ms. Perrin said that's fair enough, since the original requester came up with the idea first.

CASE STUDIES SUGGEST SIGNIFICANT OPPORTUNITY

In the closing session of the day, representatives of the Department of Consumer and Corporate Affairs (CCA) and EMR described successful initiatives to commercialize specific databases within their departments.

Trade Marks Database: Consumer & Corporate Affairs

Eleanor Zazulak of CCA described the steps that had been taken to distribute her department's trade marks database through the private sector. The process took place against a backdrop of reduced staffing levels in CCA's Bureau of Corporate Affairs, at a time when total volume at the Trade Mark Office was increasing dramatically, from 17,000 to 22,000 new applications per year over a four-year period.

At the same time, the department faced the impending need to replace aging equipment and the internal demand for machine access to trade mark information.

These indications of "overwhelming" demand for trade mark information were matched only by the regularity with which private vendors were calling to inquire about the possibility of putting up a database. A set of fair and equitable rules was needed, to give the Bureau some guidelines for its dealings with the private sector.

In the specific instance, Mrs. Zazulak recalled, the case became one of a department that collected information within its mandate and maintained that information in machine-readable form, but lacked the software to access it. With workloads on the rise and resources declining, one major objective in bringing in a private distributor was to get more convenient in-house access to the data at a good price. Mrs. Zazulak said she and her colleagues are still hoping that reduced reliance on paper cards, drawers and search rooms filled with files will mean that "one day we can have a bonfire...We hope it's coming."

In addition to the trade mark initiative, a pilot project in this fiscal year will determine whether CCA's bankruptcy statistics can be distributed as a database through a joint venture with a private firm.

Another concern was the constant demand for raw data from private interests and other government agencies. "With limited resources," she said, "we were supposed to make it available in an updated format, on an ongoing basis." Given the number of calls each week from prospective purchasers of different classes of data, it seemed clear that the private sector would place high value on an integrated corporate/trade mark database: A market study ultimately

confirmed that financial institutions, libraries and law firms spent \$91 million per year obtaining this information.

In light of these factors, CCA staff found themselves with several options to choose from. Three possibilities were to do nothing, sell the data outright to a private vendor, or develop sophisticated data search services in-house. In-house production was ruled out because of the staff and resources that would have been required; outright sale of the data, meanwhile, would have run counter to Crown copyright and the department's statutory responsibility to disseminate information.

Licensing ultimately emerged as the best way of ensuring internal and external access within available resources, based on a significant upgrading of available hardware and software systems. Secondary benefits included opportunities to retain control of the data, improve public access to the data, avoid direct competition with the private sector or the appearance of favouring any supplier, create private sector employment, protect Crown copyright, obtain software upgrades at no direct cost and avoid the cost of providing data to other private sector distributors. The structure of the licence involves a primary vendor that provides access to the database to internal CCA users and to secondary distributors that have also accepted a contractual obligation to provide access to the data.

In the final analysis, Mrs. Zazulak said, a licensing arrangement represented the best balance between the principles of fair revenue and guaranteed access. "One of the things we looked at very carefully was that we didn't want to cost the data so outrageously that it just prohibited the public from getting access to it."

For best results, she urged participants to:

- * Encourage federal regulators to provide consistent legal advice, rather than changing tacks and forcing a complete revision of an Order in Council submission after it had been in preparation for 18 months;
- * Learn from other departments' experiences;
- * Recognize that policy is a living thing that requires managers to plan for constant change;
- * Keep the overall initiative "lean and mean," rather than falling into cumbersome committee processes;
- * Take action on policies that are developed, rather than letting ideas sit on the shelf: "You're not going to know whether it works when you put it on," she said. "That's why policy is a living thing."

Licensing Mapping Data Energy, Mines & Resources

Mark Corey of the Surveys, Mapping and Remote Sensing Sector of EMR focused on a new system of pricing and distribution that EMR is developing for its digital map information database. He stressed the importance of incentives to line departments and the removal of administration barriers.

"There are signs of significant changes on the horizon" Mr. Corey said. One provision of a first-round EMR agreement on ministerial accountability states Treasury Board's willingness to negotiate a formula for sharing the net revenue generated by efforts to recover costs on the distribution of geographic information. This would greatly facilitate expanded sales of information from the EMR database and allow the Department to develop commercial sales operations. At present, EMR is facing a four-month backlog of requests and found that a demonstration videodisc worth \$750 sold out when it was produced in limited edition.

Again, EMR has no way of generating revenue to compensate for the \$160 it spends to produce a tape of digital information. The range of potentially available products includes national topographical maps, national atlas data and theme maps, global positioning system data and aeronautical charts.

Based on indications that such an idea would be entertained under I.M.A.A., EMR submitted a draft proposal to Treasury Board and has since been working out a detailed commercialization policy for geographic data. The draft states the department's responsibility for making electronic and optically-stored geographic information available on a commercial basis and for fostering its use. The initiative must:

- * Be simple and inexpensive to administer;
- * Be based on clear terms and conditions of sale;
- * Be flexible to newly emerging technologies and opportunities;
- * Place primary responsibility for customization and value-added services with the private vendor;
- * Involve only minimal enforcement measures;
- * Generate sufficient revenue to encourage further maintenance and use of the database;
- * Facilitate a wide range of legitimate uses for electronic information, while preventing "chain sale of digits" that would remove control from the originator of the data.

For the licensee, in practical terms, a contract would boil down to an agreement to purchase the non-exclusive right to reproduce the contents of database, alter the contents, or add value, for the purpose of reselling it in electronic or optical form. Revenues payable to the government would be based on the size of licence purchased and sales figures would be reported annually within 60 days of licence expiry. It should be noted that the proposed system is still in draft form and requires further agreement with Treasury Board and others.

For EMR, the key legal concerns are to prevent unauthorized use and ensure protection from liability arising from any use of the data. A licence agreement would provide for independent verification of sales reports, although Mr. Corey said the intent would be to exercise this right as infrequently as possible.

In general, Mr. Corey stressed that licensing conditions should be positive and should enable licensees to continue to make money while ensuring a fair return to the Crown. In terms of simplicity, he said licensing is a more appropriate approach than a royalty arrangement if a department wishes to ensure a steady flow of income.

In concluding his presentation, Mr. Corey underscored the importance of meeting the challenges that government faces by attempting to "find new opportunities" arising from the growing demand for electronic information. Federal departments and agencies can play a role in the development of the industry and the dissemination of electronic information, both as a user of value-added databases and as a partner operating according to standard business principles. An important first step, he said, is to remove disincentives to database commercialization and find ways of helping the private sector gain access to marketable products.

LIST OF ATTENDEES

<u>NAME</u>	<u>DEPARTMENT</u>
Edith Abols	Justice
Owen Adams	Industry, Science & Technology
Diana Andai	Industry, Science & Technology
Gloria Anderson	Canada Labour Relations Board
Neil Anderson	Fisheries and Oceans
Robert Asselin	Energy, Mines & Resources
E.W. Aumand	Secretary of State
Bob Baser	Communications
Suzanne Beaudoin	Supply & Services
Pierre Beaudry	Supply & Services
Claire Beaulac	Fisheries and Oceans
Octave Belanger	Communications
Jacqueline Bilodeau	Environment Canada
Dave Black	Industry, Science & Technology
Michael Bogues	Secretary of State
Agnes Bokross	Public Service Commission
Barbara Bongiorno	Office of Privatization & Reg. Affairs
Annette E. Bourgeois	Energy, Mines & Resources
Ernie S. Boyko	Statistics Canada
Cuiuneas Boyle	Fisheries and Oceans
Michael Brandreth	CISTI
Darius Breau	Communications
Nancy Brodie	National Library
J. Broome	Energy, Mines & Resources
Louise Brunet	Revenue Canada, Customs and Excise
Fruji E. Bull	CADAPSO
John Carey	Secretary of State
Andre Caron	Energy, Mines & Resources
Isabel Chang	Transport Canada
Cecile Chapman	Supply & Services
Mary Chaput	Treasury Board
Richard Chenier	Public Service Commission
Ann Clapperton	Industry, Science & Technology
Jane Cooney	Canadian Library Association
Edith Core	Consumer & Corporate Affairs
Mark Corey	Energy, Mines & Resources
Terry da Silva	Canadian Patents & Development Ltd.
David Davidson	Solicitor General
Nina Denyer	Fisheries and Oceans
John L. Dickinson	Public Works Canada
Chris Dodge	Treasury Board
Roddy Duchesne	Secretary of State
Sandy Duck	Status of Women Canada

NAMEDEPARTMENT

Robert Dupuis	National Museum of Natural Sciences
Cynthia Durance	National Archives
Marilyn Eades	Investissement Canada
Gustave Emond	Supply & Services
Tim Evangelatus	Fisheries and Oceans
Gwynneth Evans	National Library
Lawrence Farrington	Privy Council
Simon Fisher	Indian & Northern Affairs
Marcus Fong	Office of the Privacy Commissioner
Celia Francis	Employment and Immigration
Claudine Gagne	Industry, Science & Technology
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Susan Gillies	Communications
Peter Gillis	Treasury Board
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Lesley Harris	Communications
Gary Henry	Solicitor General
Harry Heyck	Transport Canada
Ross Hodgins	Treasury Board
Andrea Holland	Infomart
Harry Holman	Industry, Science & Technology
Pat Horner	Supply & Services
Ken Huband	Consommation et Corporation
Lise Hubert	Energy, Mines & Resources
Jamie Hum	Communications
Barbara Hyland	InfoGlobe
E.R. Johnston	External Affairs
Florence Johnston	Consumer & Corporate Affairs
Hennie Kahwa	Environment Canada
Everett King	Communications
James King	Supply & Services
Therese Laberge	Superintendent of Financial Institutions
Denis Lachance	Communications
Denise Lagace	Supply & Services
Marc Lasalle	Secretary of State
Mary Frances Laughton	Communications
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Betty MacPhee	CRTC
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Roy Marsh	Communications
Paul McCormick	National Library
José McDonald	Treasury Board
Huguette Messier	Comptroller General of Canada
Josée Miville-Dechene	Communications
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Angela Montgomery	Industry, Science & Technology
Gerry Montigny	Office of the Privacy Commissioner
Kathy Moses	Treasury Board
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Eve Poulin	Communications
Louise Power	Environment Canada
Marianne Pringle	Health & Welfare
Astride Prudhomme	Industry, Science & Technology
Jim Quinn	Treasury Board
Bob Rand	Industry, Science & Technology
Don Ranger	Industry, Science & Technology
David S. Reade	Energy, Mines & Resources
David Reid	Secretary of State
Claire Renaud-Frigon	Communications
Gay Richardson	Supply & Services
Therese Rivest	Communications
Russell Robinson	Forestry Canada
Anne-Marie Rocque	National Capital Commission
Helen Rogers	National Library
Grafton Ross	Statistics Canada
Hank Sagan	Supply & Services
John R. Sandilands	Environment Canada
Barbara Sawh	Immigration and Refugee Board
Risa Segall	Industry, Science & Technology
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Nicole Sicotte	Public Service Commission
France Simard	Agriculture
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Michael Van Herk	Bureau of Management Consulting
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Louise Viau	Labour Canada
Major D.J. Wilson	National Defence
Jane Wu	Agriculture
Joel Yan	Statistics Canada
Eleanor Zazulak	Consumer & Corporate Affairs

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