HOUSE OF COMMONS CHAMBRE DES COMMUNES CANADA

OVERSIGHT OF GOVERNMENT OF CANADA ADVERTISING

Report of the Standing Committee on Public Accounts

Kelly Block, Chair

MARCH 2021 43rd PARLIAMENT, 2nd SESSION Published under the authority of the Speaker of the House of Commons

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NOTICE TO READER

Reports from committee presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

has the honour to present its

SIXTEENTH REPORT

Pursuant to its mandate under Standing Order 108(3)(g), the committee has studied Oversight of Government of Canada Advertising and has agreed to report the following:



OVERSIGHT OF GOVERNMENT OF CANADA ADVERTISING

INTRODUCTION

The Government of Canada uses paid advertising in various media to inform the public of its programs and services, both domestically and abroad.¹ During the 2017–2018 fiscal year, "55 government organizations spent a total of \$39.2 million on advertising. Most of it was spent on digital media, for which advertising costs are typically lower."²

In 2016, the federal government defined non-partisan communications, which includes advertising, in the *Policy on Communications and Federal Identity* and implemented a process that requires that all advertising campaigns with a budget greater than \$500,000 be reviewed by Ad Standards (an external organization), using a specific set of criteria, to ensure non-partisanship.³ Campaigns with budgets less than \$500,000 are reviewed by Public Services and Procurement Canada.⁴

The Treasury Board of Canada's "policy and its *Directive on the Management of Communications* define non-partisan communications as follows:

- Objective, factual, and explanatory;
- Free from political party slogans, images, identifiers; bias; designation; or affiliation;
- The primary colour associated with the governing party is not used in a dominant way, unless an item is commonly depicted in that colour; and
- Advertising is devoid of any name, voice, or image of a minister, member of Parliament or senator."⁵

¹ Office of the Auditor General of Canada (OAG), <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.1.

² Ibid., para. 4.2.

³ Ibid., paras. 4.3 and 4.5.

⁴ Ibid., para. 4.5.

⁵ Ibid., para. 4.3.



Although federal organizations are responsible for ensuring that all their communications are non-partisan, "only advertising undergoes reviews outside the organization to ensure that non-partisanship requirements are met."⁶

Communication products such as videos, graphics, or digital content are not considered advertising unless federal entities pay for their placement in the media. Consequently, they do not need to be reviewed for partisanship outside the organizations. Table 1 provides examples of the government's advertising and other communications products.

Examples of government advertising	Examples of other government communications
 Paid ad placement on a third-party website; Paid ad placement on social media; Paid placement of a video on a third-party website; Paid public notices; Billboard on commercial land. 	 All government of Canada website content; Free publication on social media accounts of government organizations; Video on a government website; Notices on a government website; Billboard on a government building or Crown land; Ministerial messages, events, or press conferences.

 Table 1—Examples of Government of Canada Advertising Products

Source: Office of the Auditor General of Canada, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, Exhibit 4.1.

Table 2 provides information about various responsibilities regarding federal government advertising.

⁶ Ibid., para. 4.4.

Table 2—Key Roles and Responsibilities Regarding Government of Canada Advertising

Organization	Responsibility		
Treasury Board of Canada Secretariat (TBS)	 Designing, implementing, and monitoring the Government of Canada's external review process for non-partisanship in advertising campaigns with budgets greater than \$500,000. Monitoring compliance with the Treasury Board's policy requirements, including those related to non-partisanship in advertising. 		
Public Services and Procurement Canada (PSPC)	 Facilitating the external review process between government organizations and Ad Standards for advertising campaigns with budgets greater than \$500,000. Providing advisory services and technical advice related to the Government of Canada's legislative and policy requirements for government advertising. Reviewing advertising campaigns for compliance with policy requirements for non-partisanship, the Official Languages Act, and the Federal Identity Program. 		
Ad Standards	 A not-for-profit organization that administers the Canadian Code of Advertising Standards and is experienced in reviewing advertising against legislative and regulatory requirements. Conducts external reviews of government advertising campaigns valued at more than \$500,000. 		
Government departments and agencies	Government organizations are individually responsible for ensuring that all of their communications, including advertising, are non-partisan, and must submit their advertising campaigns for review to ensure compliance with non-partisanship requirements.		

Source: Table prepared with data from Office of the Auditor General of Canada, <u>Oversight of</u> <u>Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, paras 4.7 – 4.10.



In the spring of 2019, the Office of the Auditor General of Canada (OAG) released a performance audit that determined whether TBS and PSPC "provided adequate oversight to ensure that the Government of Canada was meeting its commitment to non-partisan advertising. In this context, adequate oversight meant that the review processes were designed, implemented, operated, and monitored to meet the federal government's own requirements."⁷

On 23 February 2021, the House of Commons Standing Committee on Public Accounts (the Committee) held a hearing on this audit with the following in attendance:

OAG – Andrew Hayes, Deputy Auditor General, and Michelle Salvail, Principal.

PSPC – Bill Matthews, Deputy Minister, and Jean-Pierre Blais, Assistant Deputy Minister of the Receiver General and Pensions Branch.

TBS – Peter Wallace, Secretary of the Treasury Board, and Kelly Acton, Assistant Secretary, Strategic Communications and Ministerial Affairs.⁸

Subsequent to the audit, the threshold for external review was reduced to \$250,000. However, this report will first present the OAG's analysis, findings, and recommendations as they pertained to the \$500,000 threshold in place during the audit period before addressing this change.

FINDINGS AND RECOMMENDATIONS

The Federal Government's External Review Process

The OAG found that TBS only considered costing when determining if an advertising campaign required an external review. Going forward, the OAG recommended that "cost should not be the only risk factor used to determine whether a campaign should be subject to external review."⁹

For example, TBS "analysis of government spending on advertising before 2016 showed that an advertising budget threshold of \$500,000 would capture approximately 90% of

⁷ Ibid., para. 4.11.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament,
 23 February 2021, <u>Meeting No. 20</u>

⁹ OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.21.

the government's annual advertising expenditures."¹⁰ TBS officials had concluded that a dollar-based threshold was appropriate, given that "the underlying objective of the external review process was to prevent public funds from being spent on partisan advertising."¹¹ However, from the 2016–2017 to the 2017–2018 fiscal years, about 30 campaigns had budgets greater than \$500,000, representing 70% of government spending on advertising and were subject to external review.¹² That is, about 30% of government spending was for campaigns below the external review threshold and not 10% as expected with the new process introduced in 2016.

The OAG also noted that the increased use of digital media, with its lower costs, will likely result in fewer advertising campaigns exceeding the \$500,000 for external review.

Lastly, the OAG noted that TBS "did not assess risks beyond cost to determine which campaigns should be sent for external review. These risks might include the following:

Potential audience reach: With the Government of Canada's move to a digital-first approach to communications and advertising, government organizations are responsible for using digital media and platforms as the primary means to connect and interact with the public. Digital media typically offer a less expensive way to broadcast content that is tailored to specific audience segments. Audience members can then rebroadcast by sharing with others, which can provide significant reach, and potentially as much impact as other media.

Advertising subject matter: The topic of the advertisement is not considered in the decision to send campaigns for external review. For example, a campaign related to the importance of handwashing would likely not be considered to have a high risk for partisanship; however, it may be costly enough to trigger an external review. Conversely, a campaign on an issue that might be more politically sensitive, such as climate change, could avoid the external review process if its budget totalled less than \$500,000."¹³

In light of these considerations, the OAG recommended that TBS "should consider a risk-based approach to identify which advertising campaigns have a higher risk for

¹⁰ Ibid., para. 4.26.

¹¹ Ibid.

¹² Ibid., para. 4.27.

¹³ Ibid., para. 4.31.



partisanship and should be sent for external review. The approach should consider factors such as timing, audience reach, subject matter, and cost."¹⁴

In its Detailed Action Plan, TBS stated that as part of the threshold review already underway in response to a 2017 report of the House of Commons Standing Committee on Government Operations and Estimates, TBS would complete an analysis of other factors and modify the current requirements for mandatory external reviews.¹⁵ To that end, TBS provided the following timeline of completed and planned milestones:

May 2019:

- reviewed recent GC advertising annual reports to determine dollar-based threshold required to reach various percentages of annual Government of Canada advertising budget;
- analyzed other risks factors and similar oversight approaches in other jurisdictions (e.g. Australia, Ontario, etc.) to determine approaches for oversight.

June – December 2019:

- developed options for new threshold;
- consulted with internal and external stakeholders regarding the proposed approach.

February – March 2020:

- inform departments of changes for mandatory external reviews;
- post information on the Canada.ca website.¹⁶

At the hearing, Peter Wallace, Secretary to the Treasury Board, explained that since the time of the audit, the analysis of the review process found that "a consistent dollar-based target remains the most reliable indicator of risk."¹⁷ However, the

¹⁴ Ibid., para. 4.32.

 ¹⁵ Treasury Board of Canada Secretariat (TBS), <u>Detailed Action Plan</u>, p.1. For more information, refer to House of Commons Standing Committee on Government Operations and Estimates, <u>Reaching Canadians with</u>

 <u>Effective Government Advertising</u>, 1st Session, 42nd Parliament, December 2017, Recommendation 7.

¹⁶ Ibid.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament,
 23 February 2021, <u>Meeting No. 20</u>, 1120.

review threshold for external review has been reduced from \$500,000 to \$250,000, which "reflects the changing nature of the industry and a trend toward somewhat lower dollar amounts in the use of digital media in advertising campaigns. This approach is designed to capture at least 80% of the government's annual advertising budget."¹⁸

When questioned about the increased use of digital media, Mr. Wallace explained the following:

It is not necessarily that digital advertising is cheaper. Digital advertising provides a reach but it is actually priced. There is a market, and it is my personal view that there's no free lunch in advertising or anything else.

The market clears and the market is adjusting, so expenditures, whether digital or traditional, remain expenditures on advertising. They are a reliable mechanism in understanding the core criteria associated with audience reach, which is essentially what it costs to purchase eyeballs or ears, or the ability to project content. That's consistent across digital and non-digital media, this ability of markets to equilibriate and determine the appropriate pricing of other elements.

However, in some respects, digital may require and may promote the use of smaller bundles of advertising in a more agile way. Because of that, it does make sense to lower the threshold, and our review determined that lowering it to \$250,000 is required to make sure that we continue to capture 80% of all advertising directly and have it go through an external review process.¹⁹

Additionally, there were several questions about the adequacy of solely relying upon a dollar-value threshold to trigger an external review. In response, Peter Wallace provided the following:

The external review is designed to make sure that ads are fully consistent with the criteria. When Treasury Board undertook, in response to the auditor's request, a full review, we did look at lowering the threshold. We looked at a variety of other elements as well. The challenge with the other elements, to be quite frank, is that they are inherently subjective. We've already had a conversation at this committee about the nuanced nature of those elements.

It remains my view, although obviously we will listen very carefully to the sense of the committee, that there is, frankly, no free lunch in advertising. The best understanding, the best mechanism we can get for understanding the reach, impact and potential risk of public funds remains firmly embedded in the fiscal amount. It's very clear, very explainable, technically defensible criteria.

¹⁸ Ibid.

¹⁹ Ibid., 1235.



If we try to get into other aspects, such as the questions about handwashing or some other elements, frankly, we're introducing a subjective element. That subjective element is probably best implemented by Ad Standards Canada or by the people who are originally proposing the advertising at the department level.²⁰

Bill Matthews, Deputy Minister, PSPC, further explained that "the deputy head of the advertising department has responsibility for content in terms of policy and legislation compliance. Where it does come in under that [\$250,000] threshold, at their discretion they can request that it be reviewed as well, so that discretion exists for the deputy head placing the advertising."²¹

Therefore, the Committee recommends:

Recommendation 1

That, by 31 July 2021, the Treasury Board of Canada Secretariat provide the House of Commons Standing Committee on Public Accounts with a report assessing the effectiveness of the new \$250,000 campaign threshold for triggering an external review at helping to ensure non-partisanship in Government of Canada advertising.

External Reviews of Campaigns over \$500,000

At the time of the audit, PSPC conducted reviews of government advertising campaigns with budgets less than \$500,000 and coordinated the external partisanship review process for Government of Canada advertising campaigns that exceed it.²² Table 3 explains this process.

²⁰ Ibid., 1225.

²¹ Ibid., 1135.

²² OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.33.

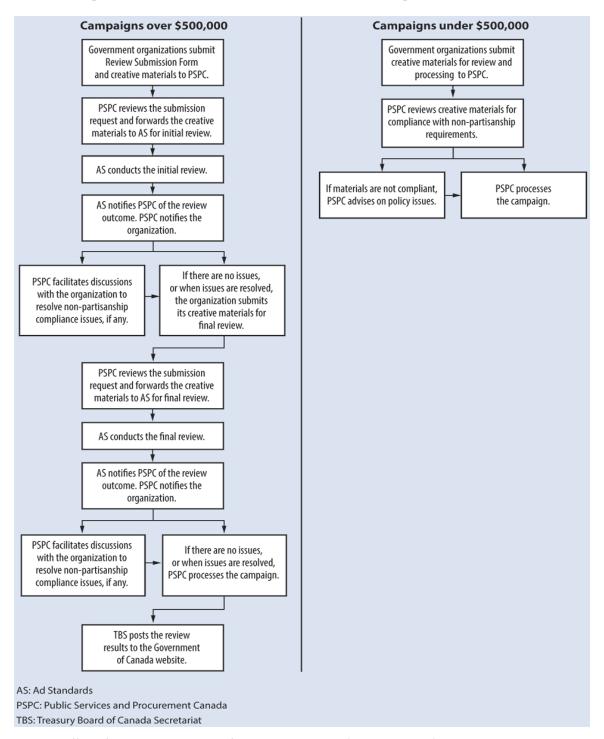


Figure 1—Government of Canada Advertising Review Process

Source: Office of the Auditor General of Canada, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, Exhibit 4.2.



The OAG found "little evidence to demonstrate that reviewers from [PSPC] and from Ad Standards thoroughly applied the [TBS] criteria when they reviewed advertising campaigns. As a result, there was little assurance that reviews for non-partisanship in advertising were thorough and effective, and there was a risk that the reviews would not identify situations in which public funds were spent on partisan advertising."²³

In a sample of 23 cases provided to the OAG, PSPC "facilitated the review process between government organizations and Ad Standards. For example, it transmitted creative materials submitted by government organizations to Ad Standards for review, and it informed the organizations of any issues identified in the reviews."²⁴ However, the OAG found "little evidence of the analysis conducted to support the assessments of the advertisements. For example, in the files that presented factual statements and statistics, [the OAG] found that Ad Standards did not request information or data to support the advertising messages."²⁵

Additionally, the OAG "found no cases in which [PSPC's] communications advisors asked government organizations for supporting documentation with their campaigns to show that statements made in advertisements were factual," meaning it "could not assess how reviews were conducted or whether all reviews were completed."²⁶

Therefore, the OAG recommended that TBS "should ensure that Ad Standards documents the rationale for its assessments of government advertising campaigns against all non-partisanship review criteria."²⁷

In its Detailed Action Plan, TBS stated that it had "already begun to establish a process for Ad Standards to better document the rationale used when determining whether advertising meets or does not meet the review criteria," which had been implemented by June 2019.²⁸ For example, the Secretariat released a new evaluation form for Ad Standards to assess advertising creatives and document their determinations; this "includes more detailed criteria for each of the items outlined in the definition of

- 26 Ibid.
- 27 Ibid., para. 4.43.
- 28 TBS, <u>Detailed Action Plan</u>, p.2.

²³ Ibid., para. 4.36.

²⁴ Ibid., para. 4.41.

²⁵ Ibid., para. 4.42.

non-partisan communications along with new attestation requirements for heads of communications."²⁹ Peter Wallace also reiterated this at the hearing.³⁰

Thus, the Committee recommends:

Recommendation 2

That, by 31 July 2021, the Treasury Board of Canada Secretariat provide the House of Commons Standing Committee on Public Accounts with a report outlining its progress with regard to ensuring that Ad Standards documents the rationale in its assessments of government advertising campaigns against all non-partisanship review criteria.

The Two-step Review Process

The review process for campaigns over the \$500,000 threshold (which has since been reduced to \$250,000) takes place in two steps:

FIRST, the government organization planning the campaign sends its creative materials to Public Services and Procurement Canada, which forwards them to Ad Standards for an initial review. The government organization is then notified of the initial review outcomes.

SECOND, the government organization submits its creative materials for final review by Ad Standards when there are no partisanship compliance issues identified at initial review, or when any issues have been resolved.³¹

The OAG found that in 80% of the cases sampled, "final reviews of creative materials for advertising campaigns valued at more than \$500,000 were conducted shortly after initial reviews—sometimes within hours or a few days after the initial review. This meant that most creative materials were almost in final form when they were sent for the initial review. In cases involving high production costs, such as video advertisements, this approach undermines the objective of conducting the initial review at a time when

²⁹ Ibid.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 23
 February 2021, <u>Meeting No. 20</u>, 1120.

³¹ OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.44.



modifying creative materials would be less costly. In cases of lower production costs, such as digital advertising, a two-step process may add little value."³²

Thus, the OAG recommended that TBS "should assess the appropriateness and application of the two-step process to ensure that it is effective and meets its intended purpose."³³

To address this recommendation, in its action plan, TBS stated that it had:

- analyzed a sample of reviews (digital and traditional media) to determine the duration of time between initial and final reviews;
- engaged with various departments to find out at what point in the production process the creatives were submitted to Ad Standards; and
- posted additional guidance on Canada.ca to help departments better plan their involvement in the review process.³⁴

Additionally, TBS determined that the current process is still appropriate and therefore amendments to the process are not required.³⁵ However, at the hearing, Peter Wallace clarified that although TBS did not find the process required modification, resulting from its "work on this recommendation, guidance was developed to ensure departments plan the timing of their review request to Ad Standards. This guidance was shared with departments and is also posted on Canada.ca."³⁶

In light of TBS's new guidance to departments for planning the timing of their review request to Ad Standards, the Committee has no recommendation on this matter.

Reviews of Campaigns Under \$500,000

Although PSPC is responsible for reviewing federal advertising campaigns with budgets less than \$500,000, the OAG found that "the Department provided no guidance to its communications advisors (for example, through manuals or training) on how to conduct

³² Ibid., para. 4.45.

³³ Ibid., para. 4.46.

³⁴ TBS, Detailed Action Plan, p.2.

³⁵ Ibid.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament,
 23 February 2021, <u>Meeting No. 20</u>, 1120.

reviews, including what criteria to apply and how to apply them, or on the requirement to document their analysis."³⁷ Moreover, there was "little evidence that the Department reviewed all advertising campaigns against all non-partisanship criteria in a consistent and thorough manner. For example, [the OAG] found no cases in which communications advisors asked government organizations for supporting documentation with their campaigns to show that statements made in advertisements were factual," meaning it "could not assess how reviews were conducted or whether all reviews were completed."³⁸

In light of these findings, the OAG concluded "there was little assurance that [PSPC's] reviews of government advertising campaigns valued at less than \$500,000 were sufficient to avoid partisanship," and consequently recommended that PSPC "should provide clear guidance and training to its communications advisors on how to conduct their reviews, including documenting the rationale for their assessments of all non-partisanship criteria."³⁹

In its Detailed Action Plan the Department stated its agreement with this recommendation and committed to "create/update training materials and checklists for advisors to ensure that all legislative and policy requirements related to Government of Canada advertising (including non-partisanship, federal identity program, official languages) are applied in a consistent and complete fashion" by December 2019.⁴⁰

At the hearing, Bill Matthews confirmed the new material and checklists were implemented as planned and provided the following:

PSPC developed a process map for the non-partisan review process to support the advisers in the consistent review and documentation of advertising, which was completed in October 2019. This process map was presented to all advisers to ensure they had a clear understanding of the process and that it could be applied in a consistent manner.

A checklist was also developed that includes steps connected to the non-partisan review criteria. This work was also completed in October 2019.

Finally, the new advertising management information system [AdMIS], which has been procured and is now being configured, will allow for all relevant documentation to be

³⁷ OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, paras. 4.47 and 4.48.

³⁸ Ibid., para. 4.49.

³⁹ Ibid., paras. 4.50 and 4.51.

⁴⁰ Public Services and Procurement Canada, <u>Detailed Action Plan</u>, p.1.



stored in the system itself, including a step uniquely associated with non-partisan reviews.⁴¹

As AdMIS is scheduled to come online 1 April 2021,⁴² the Committee thus recommends:

Recommendation 3

That, by 31 July 2021, Public Services and Procurement Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining its progress regarding the configuration, implementation, and training related to AdMIS.

Monitoring Reviews of Advertising Campaigns

Although PSPC co-ordinates external reviews with Ad Standards, TBS is responsible for it, and in July 2018 it began monitoring the process to determine whether it was being properly followed by Ad Standards and PSPC regarding timelines, forms being signed, etc.⁴³ However, the OAG found that TBS did not assess whether Ad Standards actually conducted thorough reviews of advertising campaigns.⁴⁴

As a result, the OAG concluded that TBS "could not demonstrate that it had ensured that Ad Standards had consistently and thoroughly applied all review criteria to all government advertising campaigns that it reviewed. This meant that the Secretariat could not be assured that the review process was effective in identifying and preventing partisan advertising."⁴⁵

Consequently, the OAG recommended that TBS should:

- improve its monitoring of reviews of government advertising campaigns;
- monitor whether Ad Standards is thoroughly and consistently applying all non-partisanship advertising review criteria in its reviews; and

44 Ibid.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament,
 23 February 2021, <u>Meeting No. 20</u>, 1115.

⁴² Ibid., 1255.

⁴³ OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.57.

⁴⁵ Ibid., para. 4.58.

 provide guidance on the interpretation and application of criteria on the basis of the findings of its monitoring activities.⁴⁶

In its detailed action plan, TBS stated that in response to this recommendation it developed a methodology to assess Ad Standards reviews, examined a sample of Ad Standards' reviews to assess their application of the review criteria, and consequently, determined that no further guidance for Ad Standards is needed.⁴⁷

At the hearing, in response to a question about the frequency of external reviews, Kelly Acton, Assistant Secretary, Strategic Communications and Ministerial Affairs, TBS, stated that for 2019-2020, Ad Standards had reviewed "1,800 creatives from 33 campaigns" and that there were "three issues identified of the campaigns that were reviewed."⁴⁸

Notwithstanding TBS's conclusion that no further guidance for Ad Standards is required, the Committee nevertheless recommends:

Recommendation 4

That, by 31 July 2021, the Treasury Board of Canada Secretariat provide the House of Commons Standing Committee on Public Accounts with an assessment of A) its monitoring of reviews of government advertising campaigns; and B) whether Ad Standards is thoroughly and consistently applying all non-partisanship advertising review criteria in its reviews.

The Public Complaints Process

The OAG reported that between 2013 and 2016, Ad Standards received 56 complaints about Government of Canada advertisements, 16 of "which were deemed unfounded. The remaining 40 complaints were about one specific Government of Canada advertisement. Of the 40 complaints, 22 were upheld because the advertisement contravened clause 1, Accuracy and Clarity, of the *Canadian Code of Advertising Standards*. The remaining 18 complaints were not pursued, because the advertisement

⁴⁶ Ibid., para. 4.59.

⁴⁷ TBS, <u>Detailed Action Plan</u>, p.3.

House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament,
 23 February 2021, <u>Meeting No. 20</u>, 1120.



was no longer airing and the Government of Canada confirmed that it would not be aired in the same form in the future."⁴⁹

With the external review process, TBS implemented procedures to receive and respond to complaints from the public related to partisanship in government advertising; however, the OAG "found that this public complaints process was not independent. According to the procedures put in place by [TBS], if [PSPC] or Ad Standards received a complaint about partisanship in Government of Canada advertising, the government organization responsible for the advertisement would handle and respond to the complaint. For campaigns that had been reviewed by Ad Standards, the government organization would consult with Ad Standards."⁵⁰

The OAG concluded that since "government organizations would handle and respond to complaints about partisanship in their own campaigns, and that Ad Standards would be involved in some cases, this could lead to a perception that the complaint was not considered in an objective manner."⁵¹ However, it should be noted that officials from both TBS and PSPC informed the OAG that they were unaware of any complaints related to potentially partisan advertising during the audit period.⁵²

Hence, the OAG recommended that TBS "should ensure that there is an independent and objective process to receive, review, and respond to public complaints about partisanship in government advertising."⁵³

In response to this recommendation, TBS stated in its Detailed Action Plan that in regard to determining the feasibility of implementing an independent public complaints review process, it conducted research and analysis of public complaint mechanisms in federal departments and other jurisdictions in Canada and abroad (e.g., United Kingdom, Australia, Ontario, etc.).⁵⁴ Also, given that the Secretariat "is not involved in decisions related to advertising planning and production, [it] will pilot an independent complaints process to assess the need for any additional mechanism informed by the volume and

- 51 Ibid.
- 52 Ibid.
- 53 Ibid., para. 4.62.
- 54 TBS, <u>Detailed Action Plan</u>, p.3.

⁴⁹ OAG, <u>Oversight of Government of Canada Advertising</u>, Report 4 of the 2019 Spring Reports of the Auditor General of Canada, para. 4.60.

⁵⁰ Ibid., para. 4.61.

nature of any complaints received" in 2020-2021.⁵⁵ Information to guide the public on submitting a complaint will be available on the Canada.ca website.⁵⁶

At the hearing there were several questions raised about the awareness of the public complaints process. Kelly Acton provided the following:

In April 2020, we did put in place a pilot [process], having surveyed what other jurisdictions were doing and actually not finding any other examples of public processes for that non-partisan task. There is a form you can fill out which is available on Canada.ca, and it's quite straightforward in terms of any campaign that might be of concern to Canadians. We monitor that.

I can report that since the inception of that reporting form, we have yet to receive any complaints about non-partisanship for Government of Canada advertising.⁵⁷

[We] have talked about some of the ways in which that complaint mechanism is made known. I would say that it is also something we're watching very closely, just given the relatively early period of implementation, but obviously given the importance of it as well.⁵⁸

Although the Committee contends that the process is easy to use, it nevertheless recommends:

Recommendation 5

That, by 31 July 2021, the Treasury Board of Canada Secretariat provide the House of Commons Standing Committee on Public Accounts with a report on the piloted public complaint process regarding partisanship in Government of Canada advertising.

CONCLUSION

The Committee concludes the Treasury Board of Canada Secretariat and Public Services and Procurement Canada's oversight was insufficient in ensuring that the commitment of non-partisanship in Government of Canada advertising was met. Consequently, this

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 23 February 2021, <u>Meeting No. 20</u>, 1120.

⁵⁸ Ibid., 1250.



created a risk that the advertising review process would not identify and prevent partisanship in government advertising.

As part of its study, the Committee has made five recommendations in this report to help the Government of Canada improve the way it manages its advertisements to better ensure they are non-partisan in nature.

Summary of Recommendations and Timelines

Recommendation	Recommended Measure	Timeline
Recommendation 1	The Treasury Board of Canada Secretariat (TBS) should provide the House of Commons Standing Committee on Public Accounts (the Committee) with a report assessing the effectiveness of the new \$250,000 campaign threshold for triggering an external review at helping to ensure non-partisanship in Government of Canada advertising.	31 July 2021
Recommendation 2	TBS should provide the Committee with a report outlining its progress with regard to ensuring that Ad Standards documents the rationale in its assessments of government advertising campaigns against all non-partisanship review criteria.	31 July 2021
Recommendation 3	Public Services and Procurement Canada should provide the Committee with a report outlining its progress regarding the configuration, implementation, and training related to AdMIS.	31 July 2021
Recommendation 4	TBS should provide the Committee with an assessment of A) its monitoring of reviews of government advertising campaigns; and B) whether Ad Standards is thoroughly and consistently applying all non-partisanship advertising review criteria in its reviews.	31 July 2021
Recommendation 5	TBS should provide the Committee with a report on the piloted public complaint process regarding partisanship in Government of Canada advertising.	31 July 2021

Table 3—Summary of Recommendations and Timelines

APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee's <u>webpage for this study</u>.

Organizations and Individuals	Date	Meeting
Department of Public Works and Government Services	2021/02/23	20
Bill Matthews, Deputy Minister		
Jean-Pierre Blais, Assistant Deputy Minister, Receiver General and Pensions Branch		
Office of the Auditor General	2021/02/23	20
Andrew Hayes, Deputy Auditor General		
Michelle Salvail, Principal		
Treasury Board Secretariat	2021/02/23	20
Peter Wallace, Secretary of the Treasury Board of Canada		
Kelly Acton, Assistant Secretary, Strategic Communications and Ministerial Affairs		

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* (Meetings Nos. 20 and 23) is tabled.

Respectfully submitted,

Kelly Block, M.P. Chair