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# Standing Committee on Public Accounts

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Chair: Mrs. Kelly Block





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• (1105)

[English]

**The Chair (Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC)):** I will call our meeting to order.

Good morning everyone and welcome to meeting number 20 of the Standing Committee on Public Accounts.

I have a special welcome for MP Shanahan who is joining us today. As was noted, I think we still refer to the table at the end of our reports as the Shanahan table. That is a legacy of her time on this committee. I concur. It's an excellent committee so far. I'm new to this committee. So far it has been a joy being on this committee, certainly with our colleagues and the support that we have. Having been a member for 12 years, I would say that we have a really tremendous public service that serves us in our committees. They do great work,

The committee is meeting in public today to study “Report 4—Oversight of the Government of Canada Advertising” of the 2019 spring reports of the Auditor General of Canada.

As you are all aware, today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. Therefore, members may be attending in person in the room or remotely using the Zoom application. However, I do know that everybody is joining us virtually today. I do want to thank all of our witnesses. You were all online and tested well ahead of time. That is very helpful for our meeting, so thank you.

I have a few reminders for our members. Interpretation services are available for this meeting. You have a choice at the bottom of your screen of “floor”, “English” or “French”. Before speaking, click on the microphone icon to activate your own mike; otherwise, you will owe Matt Green some money. When you are done speaking, please put your mike on mute to minimize any interference.

When speaking please speak slowly and clearly. Unless there are exceptional circumstances, the use of headsets with the boom microphone is mandatory for everyone participating remotely. Should any technical challenges arise, as we've seen even at the beginning of this meeting, please do advise me and note that we may need to suspend for a few minutes to ensure that all members are able to participate fully.

I now would like to welcome our witnesses.

Joining us today from the Office of the Auditor General are Andrew Hayes, deputy auditor general, and Michelle Salvail, principal.

From the Department of Public Works and Government Services, we have Bill Matthews, deputy minister, and Jean-Pierre Blais, assistant deputy minister of the receiver general and pensions branch.

From the Treasury Board Secretariat, we have Peter Wallace, secretary of the Treasury Board of Canada, and Kelly Acton, assistant secretary in strategic communications and ministerial affairs.

Welcome, all.

I will now turn the floor over to Mr. Hayes for five minutes.

**Mr. Andrew Hayes (Deputy Auditor General, Office of the Auditor General):** Madam Chair, thank you for this opportunity to discuss our report on the oversight of Government of Canada advertising. This report was tabled in Parliament in May 2019. Joining me today is Michelle Salvail, who was responsible for the audit.

The Government of Canada uses communications to inform the public of its programs and services. A message is considered advertising when the government pays to place it in either traditional media such as newspapers, television, radio or billboards, or digital media such as websites or social media platforms.

In 2016 the Government of Canada introduced in its policy on communications and federal identity a definition of non-partisan communications that includes advertising. The government also put in place the requirement that all advertising campaigns with a budget of more than \$500,000 would be subject to an external review for non-partisanship, as assessed against a set of criteria that has been specified.

Our audit focused on whether the Treasury Board of Canada Secretariat and Public Services and Procurement Canada were ensuring that the government's commitment to non-partisan advertising was being met. Overall, in our view, the government's oversight of advertising was not sufficiently robust to ensure that no public funds were spent on partisan advertising.

The Treasury Board of Canada Secretariat did not assess risks beyond cost when it set out the external review process for campaigns with budgets exceeding \$500,000. In other words, the threshold was based on just the value of the campaign. The secretariat did not consider other important risk factors, such as the campaign's audience reach or topic. For example, a campaign can cost little but carry more risk because it focuses on a politically sensitive topic, like medical assistance in dying, while an extensive information campaign on a neutral topic, such as handwashing, will cost much more but be less likely to involve political colouring.

We also found that the secretariat did not monitor the quality of the external reviews conducted by Ad Standards, the not-for-profit organization mandated by the secretariat to conduct the reviews. In reviewing files provided by the secretariat, we found little evidence of the analysis conducted to support the assessment of campaigns against criteria. This gap in monitoring means that the secretariat may have missed opportunities to identify and rectify weaknesses in the oversight process.

• (1110)

[Translation]

Public Services and Procurement Canada, or PSPC, reviews campaigns that fall below the \$500,000 threshold to ensure that they comply with policy and legislative requirements, including those for non-partisanship.

We found little evidence that the department conducted consistent and thorough reviews against all non-partisanship criteria. For example, we found no indication that reviewers took steps to confirm that statements and statistics presented in campaigns were factual, even though the government's policy on communications and federal identity sets out that non-partisan communications are to be objective, factual and explanatory.

We made five recommendations to the Treasury Board of Canada Secretariat and one to PSPC. Both organizations agreed with our recommendations and prepared action plans. According to the timelines set out in these plans, all our recommendations should have been addressed at this time.

Although we have not conducted additional audit work since 2019, I do want to note that some changes have been made to the external review process. For example, the threshold for sending a campaign for external review has been lowered to \$250,000. The committee may wish to ask the Treasury Board of Canada Secretariat whether its analysis of risk factors other than cost has led to other changes to the process.

Since our audit was completed, the government's website shows that more than 50 additional campaigns underwent a mandatory external review, including those related to the COVID-19 pandemic. We also note that review results posted since our audit identify more instances of non-compliance with criteria such as accuracy, factualness and objectivity. We take these results to be an indication of the positive impact of our work.

Madam Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee may have.

Thank you.

[English]

**The Chair:** Thank you very much, Mr. Hayes.

We will now move to Mr. Matthews for five minutes.

• (1115)

**Mr. Bill Matthews (Deputy Minister, Department of Public Works and Government Services):** Thank you, Madam Chair, and good morning, members. Thank you for the invitation to be with you today to discuss the Auditor General's spring report from 2019 on oversight of Government of Canada advertising.

Today, I am pleased to provide an update on the actions taken by PSPC in response to the Auditor General's recommendation that pertains to our department.

As the chair already mentioned, I have with me Mr. Jean-Pierre Blais—

[Translation]

**Mr. Maxime Blanchette-Joncas (Rimouski-Neigette—Témiscouata—Les Basques, BQ):** I have a point of order, Madam Chair.

I'm not getting any interpretation for Mr. Matthews's comments.

[English]

**The Chair:** My apologies, but could you repeat that, Mr. Blanchette-Joncas?

**The Clerk of the Committee (Ms. Angela Crandall):** There's no interpretation. We're checking it.

**Mr. Bill Matthews:** Madam Chair, shall I pause?

**The Chair:** Yes, please.

**The Clerk:** It seems to be okay now, so let's try it.

[Translation]

**Mr. Bill Matthews:** All right, Madam Chair.

I'll start over.

[English]

**The Chair:** I believe it's corrected, so please go ahead.

**Mr. Bill Matthews:** Thank you.

Good morning, Madam Chair and committee members. Thank you for having us here today to discuss Public Services and Procurement Canada's response to the spring 2019 audits of oversight of Government of Canada advertising, which were undertaken by the Auditor General of Canada.

As the chair already mentioned, I am accompanied today by Mr. Jean-Pierre Blais, who is the assistant deputy minister responsible for PSPC's work in this area.

Madam Chair, Public Services and Procurement Canada is committed to ensuring that advertising by Government of Canada departments is non-partisan in nature and to playing our role in that regard. We accepted and followed through on the recommendation that we should provide clear direction and training to our advisers on how to conduct reviews of Government of Canada advertising to ensure non-partisanship.

Today I will provide a brief overview of the role that Public Services and Procurement Canada plays in the oversight of the Government of Canada advertising process as well as how we have taken action to support the goals outlined in the recommendation from the Office of the Auditor General.

Communication with Canadians, which includes advertising, is central to the Government of Canada's work and contributes directly to the Canadian public's trust in government. Government advertising can help to convey important information about policies, programs and services, as well as information about Canadians' rights and responsibilities under the law, and information to help protect their interests and well-being.

PSPC provides advisory services and technical advice with respect to legislation and policy requirements, including the federal identity program, official languages and non-partisanship. In so doing, we review all advertising materials submitted and, where appropriate, provide advice to departments in that regard.

With respect to the non-partisan review process, campaigns with a budget of over \$250,000—and I appreciate that it was \$500,000, I believe, when this audit was undertaken—must undergo a third party review process which PSPC coordinates. Those with a budget under this threshold may be formally reviewed at the discretion of the advertising department.

Regarding the recommendation directed at PSPC, after a review of PSPC files and documentation, the Office of the Auditor General recommended that the department undertake training on how to conduct reviews, including documenting the rationale for assessments.

I'm pleased to report that's exactly what the department has done.

The Auditor General's report made six recommendations with respect to the non-partisan oversight mechanism, of which one, in paragraph 4.51, was directed at PSPC. The recommendation was that Public Services and Procurement Canada should provide clear guidance and training to its half-dozen advisers on how to conduct their reviews, including documenting the rationale for their assessments of all non-partisanship criteria. Following this recommendation by the Office of the Auditor General, with which we wholeheartedly agree, PSPC immediately undertook to create and update training materials and checklists for all of our advisers. This work was fully completed by December 2019.

As part of this work, 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, which has been procured and is now being configured, will allow for all relevant documentation to be stored in the system itself, including a step uniquely associated with non-partisan reviews.

These enhancements to our processes have been implemented and are fully operational.

Madam Chair, I assure you that PSPC is fully committed to its responsibilities in this area and has implemented our response to the recommendation issued by the Auditor General in this aspect. Our guidance and tools have been fully updated to support the consistent application of legislative and policy requirements related to the non-partisan advertising.

• (1120)

[*Translation*]

I'll leave it there so we have enough time for questions.

[*English*]

We are really looking forward to your questions.

Thank you, Madam Chair.

**The Chair:** Thank you very much, Mr. Matthews.

We will now go to Mr. Wallace for five minutes.

**Mr. Peter Wallace (Secretary of the Treasury Board of Canada, Treasury Board Secretariat):** Thank you, Madam Chair.

As you indicated, I am joined today by Kelly Acton, who serves as the assistant secretary for strategic communications and ministerial affairs at Treasury Board Secretariat.

After my brief remarks, Ms. Acton and I will look forward to answering any questions from you and the committee.

The subject of today's meeting is, of course, the study of the non-partisan review process for government advertising, one of five reports presented by the Auditor General during the spring of 2019. As we've already indicated, this review process was implemented in 2016.

The Treasury Board Secretariat has addressed all of the recommendations outlined in the 2019 spring report of the Auditor General. I'll simply review those recommendations and then look forward to your questions.

The first recommendation was to consider a risk-based approach to identify campaigns with the higher risk of partisanship. At issue in this recommendation is a determination of what is the best indicator of risk. To date, advertising spend and the total of that spend has been the best indicator.

After an analysis of the review process, it was concluded that a consistent dollar-based target remains the most reliable indicator of risk. That threshold has now been reduced for mandatory review of ad campaigns from \$500,000 to \$250,000. This 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.

The second recommendation was to ensure that the Ad Standards, the external third party review mechanism, documents the rationale for its assessment of government advertising campaigns against all non-partisan review criteria. In response, the new evaluation form for Ad Standards to assess ad designs and better document their findings has been developed by Treasury Board officials and implemented in this process.

The third recommendation was to assess the appropriateness and application of the two-stage review process to ensure that it is effective and works as intended. The process is set up to ensure that ads are reviewed twice: first, early in the production process and then before actually going to market. This allows any creative work to be reviewed and modified, if necessary, before additional costs or delays are introduced into the process.

Officials found that, depending on the type of media used in the advertising, the period of time between the reviews fluctuated. Based on those findings, it was determined that the process was working as intended and did not in fact need to be changed. Informed by 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.

The Auditor General's fourth recommendation was to improve how officials monitor ad campaign reviews and whether Ad Standards is thoroughly and consistently applying all non-partisan criteria in its reviews. In the fall of 2019, a panel consisting of officials from both Treasury Board Secretariat and Public Services and Procurement Canada began assessing a sample of Ad Standards' reviews each quarter and determined that Ad Standards was applying the criteria consistently. This oversight is, of course, ongoing.

The fifth and final recommendation called for an independent, objective review process to receive, review and respond to public complaints about partisanship in government advertising. In 2020, after looking at options, including the feasibility of implementing an independent review complaint process, a pilot project was established to accept, review and report on public complaints in this area. The public can now submit a complaint online about any Government of Canada advertising that they may feel is partisan. The nature of the complaint and findings of the review would then be posted on Canada.ca.

Treasury Board Secretariat is committed to ensuring that there continues to be an independent and strong oversight of Government of Canada advertising. The audit identified process gaps and not substantive deficiencies in oversight. As noted, these recommendations have been addressed.

Ms. Acton and I are, of course, prepared to answer your questions.

Thank you very much.

• (1125)

**The Chair:** Thank you very much, Mr. Wallace.

We will now go to our first round of questioning. It is a six-minute round.

We will start with Mr. Lawrence.

**Mr. Philip Lawrence (Northumberland—Peterborough South, CPC):** Thank you very much, and thank you to all the witnesses for appearing.

My challenge with this overall review is that in first-year law school we all learned about Lord Denning. One of the things he would say is that it was not the biases he was aware of that would scare him; it was the biases that he was not aware of.

When we look through this process, I understand that the tree breaks out into two: it was at \$500,000 and now it's \$250,000. However, I'm troubled that we're perhaps not getting results.

I just want to first confirm that we have 2020 numbers when it comes to reviewing that. Do we have those numbers now? This report was done for 2019.

Can anyone answer?

**Mr. Bill Matthews:** Madam Chair, maybe I could share that the government's annual report on advertising for 2019-20 is now public. That's the most recent publicly available information on government advertising spending.

I'm not sure if that helps the member with his question, Madam Chair.

**Mr. Philip Lawrence:** Yes, that's fine. We'll use those numbers.

Mr. Wallace or Mr. Matthews, how many advertising campaigns were reviewed?

**Ms. Kelly Acton (Assistant Secretary, Strategic Communications and Ministerial Affairs, Treasury Board Secretariat):** I'd be happy to jump in, if I might.

**Mr. Philip Lawrence:** Yes.

**Ms. Kelly Acton:** In terms of 2019-20, Ad Standards will have reviewed just over 1,800 creatives from 33 campaigns.

**Mr. Philip Lawrence:** How many of them were subsequently changed?

**Ms. Kelly Acton:** In the course of that review, there were three issues identified of the campaigns that were reviewed.

**Mr. Philip Lawrence:** Of those reviews, how many were done by non-affiliated people who do not receive a cheque in any way, shape or form from the federal government?

**Ms. Kelly Acton:** Those reviews were conducted in accordance with the third party oversight mechanism that we have in place. Those reviews are done by—

**Mr. Philip Lawrence:** I apologize, but with respect, that's not the question I asked.

How many of those reviews were conducted by people who are not compensated by the federal government?

**Ms. Kelly Acton:** I would just add that the contracting with Ad Standards Canada is done through an open process in which other organizations have the opportunity to put themselves forward. Ad Standards Canada, responsible for the Canadian advertising code, remains the organization that reviews within this publicly elaborated oversight process.

**Mr. Philip Lawrence:** Okay. We had three out of 1,800 that were subsequently changed. We don't have any independent review of this. Do we not see a problem with this?

**Mr. Peter Wallace:** To try to be helpful here, Ad Standards is contracted by the Government of Canada, but Ad Standards is intended to be an independent review. They implement the review criteria, but they're intended to implement that in an independent way, and the individuals are not directly, of course, as you understand, employees of the Government of Canada.

**Mr. Philip Lawrence:** I suspect that if I were looking for a non-partisan, I might have a different view of what that is from Matthew Green, from Greg Fergus or from other members.

What confidence do we have that the people reviewing this don't have any bias?

**Mr. Peter Wallace:** I think you raise an extraordinarily good point, and that is that to some extent the issue of partisanship in advertising may be in the eye of the beholder. That is, I think, why there is a third party independent approach against established criteria, and we ask the contractor to participate in those reviews against the established criteria.

Then, of course, there is, as a fail-safe, and as a result of this audit and I think a step forward is that there is a public complaints review process available as well.

You raise an extraordinarily good point that the determination is quite challenging, and it's not an easy task for the reviewers to undertake.

• (1130)

**Mr. Philip Lawrence:** I very much appreciate that recognition. Thank you.

I have a couple of questions for the deputy auditor general.

With respect to the lowering of the \$500,000 to \$250,000, that wasn't what you recommended. You recommended a risk-based approach and the department has done otherwise. Do you not still see it as a risk? With these campaigns, there's not often a tight end and start. It could be quite easy—not that the government would ever do this—for them to say that it's not a million-dollar contract; it's four contracts of \$249,999. Wouldn't you see that as a substantial issue?

**Mr. Andrew Hayes:** Thank you for the question.

In response to our recommendation, the secretariat of the Treasury Board has described the change to the approach that they have put in place. Again, it's based entirely on the cost of the campaigns. From our view, other considerations, such as the subject matter of the advertisement campaign or the timing or audience reach, are important to consider in terms of the risk that partisanship might be present in advertising.

The question you raised about the ability of departments to break campaigns into smaller pieces, for example, could in fact bring those campaigns below the \$250,000 threshold. That is exactly why we were recommending a risk-based approach to the external review.

**The Chair:** Thank you very much, Mr. Lawrence and Mr. Hayes.

We will now move to our second questioner, Mr. Fergus.

**Ms. Jean Yip (Scarborough—Agincourt, Lib.):** I believe I will be speaking.

**The Chair:** All right. We will move to Ms. Yip.

**Ms. Jean Yip:** Thank you, Chair.

Welcome to all the witnesses. I would like to thank the deputy auditor general and his team for reviewing 23 files. That's quite a number of files to review.

Mr. Wallace, can you outline some of the key changes over a period of time, or in recent years, that have resulted in a significant change in how an ad is reviewed? I think it would be good to understand how we got here.

Did we lose Mr. Wallace?

**Mr. Peter Wallace:** My apologies. My Internet has briefly become unstable and I missed the question. If the member could please repeat the question, I'd very much appreciate that.

**Ms. Jean Yip:** Can you outline some of the key changes over a period of time, in recent years, that have resulted in a significant change to how an ad is reviewed? I think it would be good to know how we got to this place.

**Mr. Peter Wallace:** The policies have been consistent for some period of time. The core question is the application of a different threshold.

As I indicated in my opening remarks, we undertook a thorough review and did reach the conclusion that at this point spend remains the best and most reliable indicator of factors such as reach. These are factors that were identified by the Auditor General, and it's potentially important.

Simply, that spend level is a reliable indicator of the potential impact and risks associated with the advertising campaign, but the policy and criteria have been consistent over a period of years.

**Ms. Jean Yip:** Looking at the \$250,000 threshold, I see this is designed to capture 80% of the budget, but what about the remaining 20%?

**Mr. Peter Wallace:** The remaining 20% is still subject to review. The originating departments are still required to meet professional standards and to make sure the advertising is non-partisan. It's just that the amounts are relatively small, and consistent with a risk-based approach and making sure there's no misuse of public money for partisan advertising, we focused on literally an 80:20 rule on catching the largest campaigns. That's an ordinary risk-based approach to determining outcomes. In this case, just to be very clear, though, the same criteria apply. It should be applied by the departments as well. They're just not subject to external review.

If an ad were to be judged by a member of the public to be partisan in nature, there would remain, of course, as we discussed earlier, the public complaint process available to the public as well.

• (1135)

**Mr. Bill Matthews:** Madam Chair, could I add to that response, if that's okay with the member?

**The Chair:** Yes.

**Mr. Bill Matthews:** As Mr. Wallace indicated, 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 threshold, at their discretion they can request that it be reviewed as well, so that discretion exists for the deputy head placing the advertising.

**Ms. Jean Yip:** I think it doesn't matter what the amount is, you can still be partisan, so I'm glad to hear there's still that review.

Mr. Wallace, you were talking about the public process of reviewing complaints. How is that going?

**Mr. Peter Wallace:** I'll ask Ms. Acton to answer that question.

**Ms. Kelly Acton:** Thank you very much for the question.

In April 2020, we did put in place a pilot, 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.

**Ms. Jean Yip:** Has this hotline been widely known, so to speak?

**Ms. Kelly Acton:** Yes. It is available on Canada.ca. Particularly this year, where we are seeing visible Government of Canada communications activity, I would share that, for example, on our social media accounts, we have promoted four times, since November of last year, aspects of the policy and the fact there is this oversight mechanism, and most recently, about the form itself, at the end of January.

**Ms. Jean Yip:** Mr. Hayes, in your opening statements, you mentioned there were 50 additional campaigns that underwent a mandatory external review, including those related to COVID-19, and that the review results showed there were more instances of non-compliance with criteria of accuracy, factualness and objectivity. Why is that?

**Mr. Andrew Hayes:** The numbers I mentioned there were illustrative in the sense that we did not audit them, but we did look to see whether anything had changed from the information we provided in our audit report.

**The Chair:** We will now go to Mr. Blanchette-Joncas for six minutes.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Thank you, Madam Chair.

Thank you to the honourable members and all of our witnesses.

My question is for you, Mr. Hayes. Thank you for being here today. It's always a pleasure to have you. Please say hello to Ms. Hogan for us.

I practically jumped out of my seat at the beginning of your remarks. Specifically, I'm referring to paragraph four, where you said, and I quote, "the government's oversight of advertising was not sufficiently robust to ensure that no public funds were spent on partisan advertising." I am sure you can easily see where I'm going with this. It brings to mind a dark moment in our recent history involving the Government of Canada and its advertising spending, as you can appreciate.

Given your findings, can you say with certainty that we will never experience another sponsorship scandal?

**Mr. Andrew Hayes:** Thank you for your question.

Our audit results revealed the need to improve the review of advertising campaigns. For example, we noted that the files we reviewed lacked the evidence to determine whether campaigns adhered to the Treasury Board of Canada Secretariat's criteria.

Accordingly, I cannot assure the committee that the agency conducts a robust review of advertising campaigns.

• (1140)

**Mr. Maxime Blanchette-Joncas:** Thank you for clarifying that, Mr. Hayes. It's rather troubling that we can't be certain public money isn't being used for partisan activities. I also realize that the circumstances today aren't what they were back then, circumstances that led to the Gomery commission. Since the same political party is in power now, I don't mind telling you that I have concerns.

You also noted that the Treasury Board of Canada Secretariat failed to properly examine the external reviews conducted by Ad Standards—failed, in fact, to examine them at all. In your remarks, you pointed to the differences in the outreach of government advertising campaigns.

In the current context, the messaging around handwashing to prevent the spread of COVID-19 would not be considered partisan, of course. I can, however, think of advertising campaigns that might cause confusion, those run by Economic Development Canada, the Business Development Bank of Canada and Destination Canada, for example.



In light of the current political climate, not to mention your audit findings and the millions of dollars spent on government advertising, can you confirm to the committee that you will be keeping a close eye on what happens next and initiating another audit to keep things from getting out of hand?

**Mr. Andrew Hayes:** As always, our audit choices are based on a risk analysis. Our office now has a process to review past audits. Ms. Salvail oversees that work. We may review the observations and findings from any of our past audits, including this one.

**Mr. Maxime Blanchette-Joncas:** Thank you for that information, Mr. Hayes.

According to paragraph 4.8 of the report, your office's roles and responsibilities include reviewing advertising campaigns for compliance with not just policy requirements for non-partisanship, but also the Official Languages Act.

Mr. Hayes, in addition to issues around non-partisanship, did the Office of the Auditor General identify any compliance issues involving the Official Languages Act?

**Mr. Andrew Hayes:** I'm going to ask Ms. Salvail to answer that question. I think the deputy minister of Public Services and Procurement Canada could answer that as well.

**Ms. Michelle Salvail (Principal, Office of the Auditor General):** Thank you.

We didn't examine that aspect. The bulk of our focus was on partisanship and those compliance requirements. That said, in the files we reviewed, we didn't note any specific issues in that regard.

**Mr. Maxime Blanchette-Joncas:** Madam Chair, I want to be sure I understand what Ms. Salvail just said.

They didn't focus on that aspect, but they didn't identify any issues.

I'd like to know whether the matter received any attention, since reviewing for compliance with the Official Languages Act falls under the department's roles and responsibilities and is subject to the audit, as per paragraph 4.8 of the report.

Do you have any information on that, Ms. Salvail? If you can't provide us with an answer now, would you mind getting back to us in writing?

**Ms. Michelle Salvail:** What I meant to say was that we didn't look specifically at that aspect because it wasn't within the scope of the audit. We did note, however, that the advertising or analyses appeared on the website in both official languages.

When Ad Standards reviewers conducted their advertising analyses, they looked at both the English and the French versions, so we did not examine the issue specifically. Indirectly, however, we noted that it didn't come up as an issue in the analyses conducted by Ad Standards and Public Services and Procurement Canada.

• (1145)

**Mr. Maxime Blanchette-Joncas:** Thank you, Ms. Salvail.

You mentioned the website. Obviously, the Government of Canada conducts television campaigns. Did you note the same thing with respect to TV ads? Were different audience demograph-

ics taken into account? Quebec has a mostly French-speaking population. In Canada, did the government's television campaigns comply with the Official Languages Act?

**Ms. Michelle Salvail:** We really didn't investigate that aspect, so I can't say.

**Mr. Jean-Pierre Blais (Assistant Deputy Minister, Receiver General and Pensions Branch, Department of Public Works and Government Services):** Madam Chair, I have some information I could add.

[*English*]

**The Chair:** Mr. Blais, please provide a very short answer. We are quite over time.

**Mr. Jean-Pierre Blais:** The Commissioner of Official Languages has looked into this issue, and of course the advisory service of the department includes looking at this.

[*Translation*]

It, of course, ensures that official languages obligations are met when it comes to the communications policy.

**Mr. Maxime Blanchette-Joncas:** Madam Chair, I'm looking for any information, any evidence to support that, but there is nothing in the audit.

Could the witnesses ask their respective departments to send us the information? I'm not satisfied with what we've heard.

[*English*]

**The Chair:** Thank you very much, Mr. Blanchette-Joncas.

We can certainly ask for additional information to be provided in writing, if that is your request. Yes?

If you could provide us with that answer in writing, that would be much appreciated, and if we could receive that answer within three weeks, we would also appreciate that.

Thank you.

We will now move to Mr. Green for six minutes.

**Mr. Matthew Green (Hamilton Centre, NDP):** Thank you, Madam Chair.

I'm going to begin by building on some of the line of questioning of my friend, Monsieur Blanchette-Joncas from the Bloc.

Mr. Hayes, are the ad materials submitted for review by PSPC and the ad standard only in English and French?

**Mr. Andrew Hayes:** I would ask Madam Salvail if she would be able to answer that question.

**Ms. Michelle Salvail:** I believe that Public Services and Procurement Canada...all the advertising is submitted in both official languages.

**Mr. Matthew Green:** Are these the only ones that are reviewed by Ad Standards?

**Mr. Jean-Pierre Blais:** Perhaps I can add something.

**Mr. Bill Matthews:** Go ahead, please, Jean-Pierre.

**Mr. Jean-Pierre Blais:** Let's say a department wanted to do a campaign in a third language or an indigenous language. They would provide us with an English and French version. They would certify that it's a valid translation. That's what we would send to the advertising standard council.

**Mr. Matthew Green:** I would share with you, and I would put to this committee, that I've seen in government communications that things said in English in Ontario are said a little bit differently in French in Quebec, with a little bit of a different nuance. When the proposed ads are for ethnic media—particularly through COVID and the public health emergencies, I would hope, at least, that we would be translating these broadly—are you reviewing the translated ads or are you reviewing only the English or French translations of those ads?

**Mr. Jean-Pierre Blais:** We are looking at the communication products of larger campaigns, but based on the translation of, let's say, a third language provided by the department.

**Mr. Matthew Green:** So there is no way of telling, if something got translated into Urdu or Punjabi, or if something got translated into Chinese, that the person doing that translation may, as indicated by previous speakers, have within them their own inherent political biases. We're not actually quality checking the finished translated product. We're just taking word for it that it's coming from the English or French original document. Is that correct?

**Mr. Jean-Pierre Blais:** If there is a creative product that is in a third language, for pragmatic operational reasons the review is not done in the original language. It is done in a translation of that version by the ads council. I have to rely on the assertion of the advertising department that the translation they provide us is accurate.

**Mr. Matthew Green:** Okay. Thank you for that. I'm glad we're clear on that.

Deputy Auditor General, I'm going to make a statement and then ask you to make a comment on it.

The way I've summarized your report is that the Government of Canada's oversight of advertising was not sufficiently robust to ensure that the Government of Canada was meeting its commitment that public funds were not to be spent on partisan advertising. Is that a fair summary of the overall message of the report?

• (1150)

**Mr. Andrew Hayes:** I think that's a fair summary. We did identify areas for improvement, particularly in documentation. We made recommendations for the government to consider adjustments to the risk-based approach it's taking. I will acknowledge that while we haven't had the opportunity to audit the developments since 2019, there have been some that have been made.

**Mr. Matthew Green:** It seems like the government...and perhaps this is just the nature of bureaucracies. They are often fixated on processes and not necessarily on the outcomes.

You know, I'm sure, through your previous delegations, that I have a particular interest in gender-based analysis plus, with a particular interest in plus in terms of equity. Do you have within your reviews the lens that looks for what we just heard from the previous speaker, that looks for an analysis that would take into account the

different cultural nuances we have? Are you seeing that as a measurable or a deliverable, and that this is something that is significant and missing, or is that something that's not front of mind when you do these reports?

**Mr. Andrew Hayes:** I would say that it wasn't front of mind when we were doing these reports over the past couple of years. However, since Ms. Hogan has taken over the chair as Auditor General, the focus on gender-based analysis plus and the sustainable development goals has been at the front of her mind, and in fact is a priority area for our office. I would say that you can expect to see more on both of those coming forward in her future reports.

**Mr. Matthew Green:** If I could, given the question that you just heard me ask, is it a leap for me to think that it's a significant gap in communications if we're not actually quality checking and providing a standard to the finished product? By recognizing only two official languages, we're missing significant cultural competencies in the way we are able to provide oversight. Or am I maybe going beyond what's reasonable?

**Mr. Andrew Hayes:** I think the point you have raised puts a focus on how delicate the advertising reviews are. There's a lot of nuance in the statements and the things that can be considered partisan.

From our position as an auditor, we would look to see what the government considered as they were proceeding with their work, including gender-based analysis plus considerations and the intersection of the various characteristics that affect people, including the target audiences. So I think your question is interesting.

**Mr. Matthew Green:** Thank you. So I'll also be in the future looking for things that aren't there, not just the things that are.

Thank you for that.

**The Chair:** Thank you very much, Mr. Green.

We will now go to our second round of questioning. It's a five-minute round, and we will start with Mr. Berthold.

[*Translation*]

**Mr. Luc Berthold (Mégantic—L'Érable, CPC):** Thank you, Madam Chair.

Thank you, as well, to the witnesses for being with us today.

My first question is for Ms. Acton. We heard earlier that the number of complaints about partisanship in government advertising is quite low. Ms. Acton said the complaint form was available on the Canada.ca site.

Ms. Acton, I tried looking for the information on how to file a complaint on Canada.ca, but I wasn't able to find it. The site is supposed to answer any question Canadians may have about the Government of Canada. You said the Treasury Board of Canada Secretariat had posted information about how to file a complaint on Twitter, and that's how I found it.

Don't you think it's a problem when a simple process to file a complaint about government advertising isn't readily accessible to Canadians?

Canada.ca is supposed to cover everything government-related. I don't think you're making it easy for Canadians to file complaints about partisan advertising.

**Ms. Kelly Acton:** Thank you for your question.

We work every day to make sure information on how the government operates is transparent and readily available to Canadians. I'm always amenable to taking another look at how we can make it easier for people to find the website. I'd be happy to share the link with the committee, as well.

• (1155)

**Mr. Luc Berthold:** Ms. Acton, what matters is having a simpler and more accessible process for Canadians who wish to file a complaint, because right now, that's not the case.

I have another question for you.

We are in the midst of a pandemic, and the government is running all kinds of ad campaigns. Since the Treasury Board of Canada Secretariat still uses a dollar value as the threshold for its reviews, I'm wondering when exactly ad campaigns undergo review.

Does it happen when they are developed, publicized or later?

When do the red flags go up?

**Mr. Jean-Pierre Blais:** Madam Chair, I may be able to answer that.

The process provides for an initial review and a final review. In the initial review, the department submits a fairly comprehensive document on the communication plan. It includes information on the proposed media, the communication strategies and funding amounts. That initial review determines whether the proposed campaign is sent to Ad Standards for review. Then, once any changes have been made, the campaign goes to the committee a second time.

It's important to understand the difference between the overall ad campaign and the individual creative components. For instance, a campaign valued at more than \$250,000 may have very short ads on a website, but also a full-length ad on television.

**Mr. Luc Berthold:** Does the committee that reviews the ads see them before they run or only afterwards?

**Mr. Jean-Pierre Blais:** It sees the ads before they run.

**Mr. Luc Berthold:** All the content, all the creative components, are seen before they are publicized, then.

**Mr. Jean-Pierre Blais:** Those that are subject to the group's review are, yes.

**Mr. Luc Berthold:** For advertising campaigns under \$250,000, departments are therefore free to submit them for that review, or not. So they can quickly decide to make advertisements that will not necessarily be subject to external review.

**Mr. Jean-Pierre Blais:** Let's not forget that deputy ministers of departments and agencies are responsible for complying with the policy.

**Mr. Luc Berthold:** The Auditor General's report indicated that some advertisements did indeed have a higher risk.

Have any advertisements been pulled since the Auditor General's report was released?

**Mr. Jean-Pierre Blais:** Not that I know of.

[*English*]

**The Chair:** Please give a very short answer.

[*Translation*]

**Mr. Jean-Pierre Blais:** To my knowledge, there haven't been any. For all changes requested between the initial and final phases, departments complied with the requests.

[*English*]

**The Chair:** Thank you very much, Mr. Blais and Mr. Berthold.

We will now move to Mr. Longfield for five minutes.

**Mr. Lloyd Longfield (Guelph, Lib.):** Thank you, Madam Chair.

Thank you to the witnesses for preparing the work we're reviewing right now, especially from the Auditor General's office and the continued good work coming from there.

Mr. Hayes from the Auditor General's department, what is the reason for this audit? I can remember that we're not reviewing policy itself, but we're looking at the reasons for having an audit. I remember campaigning in 2015 around the government spending money on advertising that could be seen as partisan. Was this triggered as a result of a new policy that came in 2016?

**Mr. Andrew Hayes:** With most of our audit work, we take a look at the commitments made by government and the criteria we can use. We identified this one, based on a number of factors we wanted to explore. Obviously the new policy and the new approaches that were put in place were a factor in selecting this audit.

• (1200)

**Mr. Lloyd Longfield:** To stick to this, and maybe we could go over also to Mr. Matthews, looking at the training that's needed when you have a new policy coming in and then the follow-up work—and now that we're in COVID, as well—seeing that the training is happening and that the training is sticking with the people who are tasked with creating ad copy, could you comment on the completeness of the training process? I think in your opening statement you said it was complete, but I worry about how you stay on top of that once people have been trained.

**Mr. Bill Matthews:** I have a couple of comments, Madam Chair, and then I'll ask Mr. Blais to weigh in as well.

Number one, the key thing is the process, where to go and what path to follow. It's a relatively small team of roughly six people with a low turnover, so you don't have a high-turnover job, which would be a concern in refreshing training. It is a matter of making sure they use the tools and the checklists.

Jean-Pierre, you may want to add some comments on how you ensure that knowledge is kept current.

**Mr. Jean-Pierre Blais:** It is a small team, so the training risks are small. However, if people were to move in and out, we would do the targeted training for those individuals as they joined the team. There's deep expertise there and very little churn.

We do training constantly, not just for our team but also more broadly on advertising. It's part of our duty under the policy vis-à-vis all departments and agencies, as well.

**Mr. Lloyd Longfield:** You mentioned agencies. That's a question I had in governance of the agency. The Ad Standards agency is a third party, not-for-profit agency not connected to government. How do we know who's in that agency and whether they're government appointees working in a non-profit who could weigh in favour of the government versus being non-partisan? How do we determine that an arm's-length organization is doing the oversight?

**Ms. Kelly Acton:** Ad Standards, which was created in 1957, is a national not-for-profit organization that has been administering the Canadian Code of Advertising Standards since 1963. Across the economy and society, they are the stewards of acceptable advertising in Canada. As a not-for-profit they are visible in terms of who they are. For example, the Government of British Columbia, in their oversight mechanism, is also using Ad Standards for their third party review.

Since 2016 they have reviewed just under 7,000 creative pieces for the Government of Canada in 120 campaigns on all manner of topics, from recruitment to health issues, economic action and so on.

**Mr. Lloyd Longfield:** That's terrific.

With the very brief amount of time left, I'd like to go back to the Auditor General's department.

In terms of the risk-based analysis, finances are one big part of it, but are there any other risks you're looking at in terms of geography, targeting advertising into unheld ridings, as an example?

**Mr. Andrew Hayes:** I think that was the intention of our comments on the audience and the subject matter, timing, of course, being a third possible factor. As mentioned before, the nuance that can be inherent in ads can obviously target a population. That's why it's important to be sure that non-partisanship has been considered.

**Mr. Lloyd Longfield:** Thank you very much.

**The Chair:** Thank you very much, Mr. Hayes and Mr. Longfield.

We will move now to Mr. Lawrence.

**Mr. Philip Lawrence:** Thank you, Madam Chair. I'm going to split my time with Mr. Webber and allow Mr. Webber to go first, if that's okay with the chair.

**The Chair:** Yes, please.

**Mr. Len Webber (Calgary Confederation, CPC):** Thank you.

Thank you, Mr. Lawrence. I appreciate your giving up your valuable time.

I want to continue on with the line of questioning of Mr. Berthold regarding public complaints.

Secretary Wallace, you alluded to it in your opening comments. I just want some clarification here.

I'm watching an ad on television about COVID, washing your hands and sanitizing, and in the background there's a green bus bench. Clearly that is a partisan ad right there to see a green bus bench. Of course, that is promoting the Green Party of Canada and Matthew Green. That was clearly something that I would complain about, and I would send it in.

I understand that I would submit that complaint online, but to whom? Is it clearly indicated on the Government of Canada's website where I can go to make this complaint and the process also? You've received my complaint. Who reviews it and who responds? Do you respond to the complainant? I see from the opening comments Mr. Wallace indicated that the review is posted on the site.

Maybe just give us some indication of what exactly goes on with a complaint such as a complaint of a green bus bench.

• (1205)

**Mr. Matthew Green:** I support this message.

**Mr. Peter Wallace:** I very much appreciate the question. I'll walk through part of it and then ask Ms. Acton to supplement.

You are correct in that creeping in of partisanship could be fairly subtle; it could be very much in the eyes of the beholder. I think, as a practical matter, a Canadian would likely search partisan advertising or something like that. The Google search engine would likely direct them to the appropriate place in both French and English. From there, they would submit their complaint.

Kelly, could you quickly review the process associated with that if there were to be a complaint?

**Ms. Kelly Acton:** It would be a joint working group of ourselves within TBS and PSPC that would review the complaint. We would set ourselves a time limit of 10 days to review that, and the outcome of the review would be made public.

**Mr. Len Webber:** Give me an indication of how many complaints you received from the public in 2020 on average throughout the year.

**Ms. Kelly Acton:** I'm sorry, we have not—

**Mr. Len Webber:** I'm sorry?

**Ms. Kelly Acton:** We have not received any complaints to date.

**Mr. Len Webber:** That doesn't surprise me just because of the process that you do, so fantastic.

Mr. Lawrence, thank you. Please, I'll give some time back to you.

**Mr. Philip Lawrence:** Do you know the approximate time, Madam Chair?

**The Chair:** You have two minutes.

**Mr. Philip Lawrence:** Just following up, in the 2013 to 2016 time frame, there were 56 complaints, 40 of them with one advertisement, so it seemed like there were only 15 complaints. We subsequently changed only three out of 1,800.

The math tells me quite frankly that either this government is absolutely spectacular and the one preceding it, quite frankly, was spectacular in avoiding non-partisanship or there's an issue here. Clearly, with three out of 1,800, the Harper government must have been the most non-partisan in history followed and duplicated only by the Trudeau government. Please tell me that I'm missing something here.

**Mr. Peter Wallace:** The policy was established in 2016.

**Mr. Philip Lawrence:** Okay, so it's only the Trudeau government that is the most non-partisan in history.

**Mr. Peter Wallace:** No. That's clearly not what I'm saying. I'm simply saying that factually, in terms of the comparability of the periods, the policy under review by the Auditor General with the excellent recommendations that we have implemented and continue to maintain a close eye on is a 2016 policy.

**Mr. Philip Lawrence:** My apologies.

The fact remains that three out of 1,800... We have maybe 15 complaints. We have very few changes. The math just does not add up.

The Auditor General said you're effectively not doing your job. The only change I can see that is substantive is lowering the threshold from \$500,000 to \$250,000 for the robust review.

There's a problem here. Can you guys recognize that?

**Mr. Peter Wallace:** To be very clear, the Auditor General, who can confirm this, pointed out there were significant gaps in the process. We agree with that and we have addressed those gaps in the process. We'll continue to do that. The actual determination of partisanship in advertising was not part of the Auditor General's findings or review.

As you have indicated, and I share your view, the actual determination of that will be subject to a wide range of opinions. Frankly, we are not in disagreement on this subject.

• (1210)

**The Chair:** Thank you very much, Mr. Wallace and Mr. Lawrence.

**Mr. Peter Wallace:** Thank you.

**The Chair:** We will now move to Mr. Fergus.

[Translation]

**Mr. Greg Fergus (Hull—Aylmer, Lib.):** Thank you very much, Madam Chair.

I would also like to thank the witnesses appearing before us today.

I had a series of questions, but I am really intrigued by those that some of my colleagues have asked.

It's important that the debate be refocused on the issue of Ad Standards, which has been determining standards for advertising in Canada for several decades.

Ms. Acton of the Treasury Board recognized that Ad Standards has been around for a long time. It is a non-partisan, non-profit organization. It determines and administers the process for compliance in online behavioural advertising. It does the same for television and newspaper advertising standards.

My question is for a representative of the Office of the Auditor General.

Mr. Hayes, do you consider Ad Standards to be a legitimate and recognized body that is able to evaluate whether or not our advertisements meet non-partisanship requirements?

**Mr. Andrew Hayes:** Thank you for your question.

I would say yes. We consider the organization to be independent and therefore able to review advertising campaigns objectively.

However, our report raises issues within the organization, including its involvement in the complaints process. We did not conduct an audit in that area, but the complaints process has changed. It has therefore likely been improved.

When I look at the situation, I feel that this group does its reviews objectively.

**Mr. Greg Fergus:** Do you feel it is credible?

**Mr. Andrew Hayes:** I feel that the organization has established its credibility, but Ms. Salvail could complete my answer.

**Ms. Michelle Salvail:** It's not really a credibility issue. Based on our audits, there was little or no documentation to support the work that Ad Standards was doing. It was difficult for us, but it was also difficult for the Treasury Board, which is in contact with Ad Standards, to see if the organization is really doing a good job.

**Mr. Greg Fergus:** I understand that you are not questioning the work of Ad Standards. You are simply saying that we should have a better record of its decisions.

• (1215)

**Ms. Michelle Salvail:** Without documentation, it's hard for us to see if it is doing a good job.

**Mr. Greg Fergus:** So you need documentation to determine that.

**Ms. Michelle Salvail:** Exactly.

**Mr. Greg Fergus:** You are not questioning its work. No other organization in Canada is as credible in this field. You believe Ad Standards should be used. You are only saying that you have no documentation, but that you would need documentation to assess its work.

**Ms. Michelle Salvail:** Exactly.

**Mr. Greg Fergus:** Thank you.

I have a second—

[English]

**The Chair:** Thank you very much.

Mr. Fergus, I'm sorry; your time is up.

[Translation]

**Mr. Greg Fergus:** All right, Madam Chair.

[English]

**The Chair:** Thank you.

We will now go to our two-and-a-half-minute round, starting with Mr. Blanchette-Joncas.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Thank you, Madam Chair.

My question is for you, Mr. Hayes. In your introduction to the general information section, in point 4.2, you wrote that the 2016–17 fiscal year was the first year that the Government of Canada spent more on digital advertising than television advertising. It was known at the time that the government was spending more for online advertising, but the \$500,000 threshold was lowered to \$250,000 precisely because online advertising is cheaper.

Would you say that the government was slow to amend the legislation as an external review mechanism?

**Mr. Andrew Hayes:** Changes in the ways people communicate and use digital media bring to the fore the significant risks associated with campaigns and audiences. In our view, it's not just a question of the cost of the advertising.

**Mr. Maxime Blanchette-Joncas:** Thank you, Mr. Hayes.

My next question is for Mr. Wallace.

Since 2016–17, we have known that the government has been spending more on online advertising, but the threshold remained \$500,000. You yourself said that the new threshold of \$250,000, which has been in effect since April 1, 2020, has helped you capture 80% of the government's annual advertising budget.

Are you saying that, for four years, the mechanism was inadequate because the threshold was too low?

[English]

**Mr. Peter Wallace:** I appreciate the question.

We should recall through all of this that this is a backstop, that there is an obligation on public servants to not undertake partisan advertising and that campaigns should never be partisan in any way. What we have established is not only an existing policy but also a review mechanism to ensure that this policy is implemented.

We need also to have thresholds associated with that simply so there is a responsible use of government money. We maintain a degree of efficiency and effectiveness in terms of the allocation of our resources, and almost every policy does require a threshold of \$500,000, as the Auditor General correctly pointed out.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Madam Chair, I am not sure that he answered my question.

[English]

**The Chair:** I'm sorry.

Pardon me, Mr. Wallace.

**Mr. Peter Wallace:** Yes.

**The Chair:** I have the member making an intervention.

Yes, Mr. Blanchette-Joncas.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Thank you, Madam Chair. I hope that I haven't lost any precious seconds.

Mr. Wallace, in 2018–19, the government spent five times more on online advertising—

[English]

**The Chair:** I am sorry, Mr. Blanchette-Joncas, your time was up with Mr. Wallace's answer.

I know that two and a half minutes go by very fast.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Madam Chair, can you check again? I tried to interrupt Mr. Wallace a couple of times, but he kept talking.

[English]

**The Chair:** Sure, I can check it with the clerk. We are both timing the rounds of questions and answers to test our understanding of the time with one another.

Madam Clerk.

**The Clerk:** The timer was up. I don't stop the timer when the witness is responding, so perhaps there were a few seconds lost. It's at the discretion of the chair to give those back if she wishes.

**The Chair:** I am not sure what time was lost. I looked at my timer. We were well at the two-minute, 30-second mark.

● (1220)

**Mr. Lloyd Longfield:** The first interruption I had was at 2:33.

**The Chair:** Okay, thank you very much.

I trust that satisfies you, Mr. Blanchette-Joncas, with a number of us having our timers on.

I will now move to Mr. Green for two and a half minutes.

**Mr. Matthew Green:** Thank you.

It's hard to believe it was 25 years ago that Allan Cutler first raised alarms about ad scams and bid rigging, and here we are, I think at a very important point in time, with the kind of spending we have in COVID.

Hopefully, through this committee, we can get at any of the shortcomings of this current program with some solid recommendations so that post-COVID, when we look back at this, we will have had a better and more fulsome program.

I want to go back to the deputy AG and talk about paragraph 4.48, where you stated:

We found that the Department provided no guidance to its communications advisors (for example, through manuals or training) on how to conduct reviews, including what criteria to apply and how to apply them, or on the requirement to document their analysis. In our view, this lack of guidance could lead to inconsistencies in how different communications advisors interpret and apply government advertising review criteria.

What is your response to that particular statement, knowing that post-COVID, we're going to have to look back on this? What would be your recommendations in terms of making sure there is a service standard across all departments?

**Mr. Andrew Hayes:** Thank you for the question.

I would note that the deputy minister has responded to the recommendation. While we haven't had an opportunity to audit the situation now, we note that guidance and training have been provided, according to the deputy minister, and that addresses our recommendation.

Perhaps the more important point I'll make is that, likewise, it's important that the documentation of the results of their review be captured on file in order for oversight to be conducted as well.

**Mr. Matthew Green:** In paragraph 4.49 it states that there was "little evidence that the Department reviewed all advertising campaigns against all non-partisanship criteria in a consistent and thorough manner."

Did they respond to that in an adequate way?

**Mr. Andrew Hayes:** That's where we haven't gone back to do the audit work to be able to assess whether or not that has changed.

Again, there we noted, like we did with the reviews conducted by Ad Standards, that it's important that factual statements and statistics be supported by evidence on file.

**Mr. Matthew Green:** I appreciate your work, Mr. Hayes, and all the staff who are here.

Hopefully, in seeing some of these shortcomings, we can get this in place for reviews that happen post-COVID. The volume of money that has gone out is significant and material, and I hope we can account for some of these inadequacies.

Thank you, Madam Chair.

**Mr. Bill Matthews:** Madam Chair, if I could jump in on that, one thing to keep in mind here is that this is a report from 2019, so the downside is that we had to dust off the report and re-familiarize ourselves with it.

The plus side is that the department has had time to implement the recommendations, so I think we're in a world now where we believe we've addressed the AG's recommendations. Obviously, we'll have to keep on top of it to make sure it stays in place, but we think we've addressed the recommendations of the AG quite thoroughly.

**The Chair:** Thank you.

**Mr. Matthew Green:** Well, I hope I'm here for the opportunity to review that in the future.

**The Chair:** Thank you very much, Mr. Green, Mr. Matthews and Mr. Hayes.

I will now move to the next round of questioning, which is a six-minute round, starting with Mr. Berthold.

[*Translation*]

**Mr. Luc Berthold:** Thank you very much, Madam Chair.

I would like to ask Mr. Hayes the following question.

So far, have the responses provided addressed the Auditor General's concerns?

**Mr. Andrew Hayes:** Thank you for your question.

Yes, we recognize that departments have made improvements. I'm still a little concerned that some advertising campaigns may not be subject to external review. As we said earlier, it is important to look into some campaigns that do not cost a lot, but that target a specific topic or audience.

• (1225)

**Mr. Luc Berthold:** My next question is for Mr. Wallace.

Does submitting smaller campaigns for external review require a legislative change or could the Treasury Board decide to implement it itself?

[*English*]

**The Chair:** Who will take that question?

[*Translation*]

**Mr. Luc Berthold:** My question was for Mr. Wallace.

[*English*]

I don't want to ask the question in English. I hope that my time will not be counted for this delay.

[*Translation*]

**Ms. Kelly Acton:** Madam Chair, I believe that the secretary was cut off again.

I want to make sure I understand the question. Was the member asking what it takes to change the criteria?

**Mr. Luc Berthold:** No. My question is very simple.

The Deputy Auditor General has just told us that many advertising campaigns are still not subject to external review.

What would it take to make those campaigns, the remaining 20%, subject to external review?

Would it take a legislative change or can the Treasury Board and Public Services and Procurement Canada go ahead themselves?

**Ms. Kelly Acton:** As we have explained, the amounts we currently have are going to—

**Mr. Luc Berthold:** Ms. Acton, I want to know whether the Treasury Board Secretariat or the department can take action directly or whether they need to change the legislation.

It's a simple question.

**Ms. Kelly Acton:** As a matter of policy, I feel that the discussion should take place outside the department.

**Mr. Luc Berthold:** Thank you, that's what I wanted to know.

Is Mr. Wallace back?

**Mr. Peter Wallace:** Yes, I'm here.

**Mr. Luc Berthold:** Great.

Mr. Wallace, the Auditor General was very clear about the other criteria. You seem to want to stick to the financial criteria for the external reviews.

Given the concern raised by several committee members and the Auditor General, do you intend to go further or have you conclusively rejected the idea of using the other criteria?

[*English*]

**Mr. Peter Wallace:** I very much appreciate this line of questioning. I am sensitive to the issues being raised at this committee.

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.

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.

[*Translation*]

**Mr. Luc Berthold:** Mr. Wallace, would it be possible to do some tests?

[*English*]

Is there a way to pick some campaign to verify what you are saying?

**Mr. Peter Wallace:** There are a couple of different ways. As raised earlier in the conversation, departments proposing the advertising, even if it's under \$250,000, could still submit that advertising to the external review if it was a particularly sensitive topic.

• (1230)

[*Translation*]

**Mr. Luc Berthold:** Do you know how many of these campaigns for which the threshold was lowered to \$250,000 were voluntarily submitted for review?

[*English*]

**Mr. Peter Wallace:** I think the policy is relatively recent, and I don't know, Ms. Acton, if we have that information at our fingertips right now.

[*Translation*]

**Ms. Kelly Acton:** I can confirm that some were, but we will send you the information about it.

**Mr. Luc Berthold:** Thank you.

[*English*]

**The Chair:** Thank you very much, Ms. Acton and Mr. Berthold.

We did stop the clock while we were having some technical difficulties.

We will now move to Mr. Blois for six minutes.

**Mr. Kody Blois (Kings—Hants, Lib.):** Thank you, Madam Chair, and thank you to our witnesses.

Earlier in today's discussion we had a conversation around the complaint process and how to go about finding it. Mr. Berthold, you raised this, and it piqued my interest in seeing what the process actually was. I did a Google search and found it on the second listing.

Ms. Acton, I want you to know that I have filed a complaint. Of course, it's a test complaint, and I've written that there. It took about two minutes. It speaks, certainly, to the process, that it is pretty straightforward. I was very casual off the street in finding that on Google, and within two minutes I was able to file a complaint. It is pretty straightforward in terms of moving forward.

One of the questions I had going through it... Of course, this is confidential. You're not asked to give any type of information or parameters around who you are. I can understand that to a certain extent, but have we considered being able to leave some information, such that when a decision is made on the complaint—as you said, it's usually about 10 days that you try to file and make a decision—is there some way for individuals who are doing that to track that through the system if they have busy lives and maybe don't stay connected? Have we considered that?

**Ms. Kelly Acton:** The entries on the form are very much intended to protect personal information should people not wish to provide it. People may choose to, and we would treat that accordingly. As we post, should we get a complaint—and again, I would just say that we haven't yet—we would post that review publicly. My hope would be that somebody who had made a complaint would be tracking for that outcome and would know how to then get in touch should they request more information.

**Mr. Kody Blois:** Just so I'm clear, Ms. Acton, you said you haven't received a complaint yet. Since 2016, since this robust process where it's very easy to go ahead and submit something, there have been no complaints to date.



**Ms. Kelly Acton:** That is correct.

**Mr. Kody Blois:** Mr. Hayes, the focus of the Auditor General's office is to look at process. You've highlighted some of the areas where the Government of Canada can improve in terms of its internal process, but just so everyone who's watching the public accounts committee at home is clear, there were no findings that there was a high level of partisanship or any wrongdoing in terms of the actual outcome. Mr. Green spoke about this.

I'd like to focus on outcome. You're talking a lot about process. You had no findings to suggest there were any concerns here by the government.

**Mr. Andrew Hayes:** What we found was that the information available to us when we were reviewing the files was not sufficient to establish that the criteria had been reviewed by Ad Standards or by PSPC when they were conducting the review, so we can't say with any assurance whether or not there were problems.

In terms of the complaint process, while there haven't been many complaints—or none until, I guess, yours—for a number of years, I would say that in itself could be a good thing or a bad thing. I worry as a manager when I see zero complaints, because I wonder whether or not that means the process is working fine, or whether it means that people don't know about the process, or there are maybe problems with the process.

We highlighted one about independence and objectivity in our report, and I know that's been addressed according to the information from the secretary and the deputy minister.

**Mr. Kody Blois:** I would like to move on, but I appreciate that.

**Mr. Peter Wallace:** I just have a very quick intervention, out of an abundance of clarity. The complaints process that we're talking about now dates back to 2020. There was a reference to the earlier period. It would not apply for the earlier period.

Thank you.

• (1235)

**Mr. Kody Blois:** Mr. Hayes, at one point during the line of questioning earlier, you talked about.... I do have some concerns about more elements being externally reviewed.

As has been mentioned, there were three out of 1,800 that, as I understand it, would have gone to Ad Standards Canada to be reviewed, but I think it's fair to note too that our public servants who are working on this take an oath to be non-partisan as well.

Do you actually see concerns? Outside the processes you handled, surely our public servants who are working on this, so long as they're following the standard—and I think our departments have talked about the mechanism they've had to tighten this up—are well placed to handle some of this discretion as well. Would you not agree?

**Mr. Andrew Hayes:** I would agree that our public servants have a code of values and ethics for the public service to adhere to, which includes neutrality and independence. So, on principle, I agree with that. We didn't see the evidence in the file to be able to assess how rigorous the examinations were, even by public servants.

**Mr. Kody Blois:** My final question is on cost. What is this costing the Government of Canada annually to contract with the external agency to try to keep this process in place?

Certainly I think it's clear that we can do a better job on process. It doesn't seem like there's a major issue here. There has been a policy change by the government, and it seems there has been a lot of good work that's been done, but what is the cost overall to have that third party evaluate these projects?

**Ms. Kelly Acton:** Thank you very much for the question.

I can confirm that it is \$199,000. That's the value of the contract right now with Ad Standards.

**Mr. Kody Blois:** Is that the cost per year?

**Ms. Kelly Acton:** Yes, it is per year.

**Mr. Kody Blois:** Thank you.

**The Chair:** Thank you very much, Mr. Blois.

We will now go to Mr. Blanchette-Joncas for six minutes.

[*Translation*]

**Mr. Maxime Blanchette-Joncas:** Thank you, Madam Chair.

I will come back to Mr. Wallace and the question I asked earlier.

Let me summarize it for you, Mr. Wallace.

In 2016, we already knew that the federal government was spending much more on digital advertising than on television advertising. Then, in 2018, the gap widened even further, with the federal government spending five times more on advertising on digital platforms than it did on television or newspaper ads.

However, the Auditor General did a report on Government of Canada advertising. The Treasury Board Secretariat had already proposed a new threshold, which you specified between June and December 2019. Finally, on April 1, 2020, you decided to lower the threshold from \$500,000 to \$250,000 because it's cheaper to advertise online and the \$500,000 threshold was no longer realistic.

You say that cost remains the most reliable indicator of risk and that the new approach will cover about 80% of the government's annual advertising budget.

Since we know that the government has been spending more online for four years and the threshold has never been lowered, does it mean that the external review mechanism was basically inadequate for all those years?

[English]

**Mr. Peter Wallace:** There are a couple of different things. We do very much appreciate the review from the Auditor General, pointing us to the need to re-evaluate thresholds and make sure those thresholds are appropriate. 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 equilibrate 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.

• (1240)

[Translation]

**Mr. Maxime Blanchette-Joncas:** Mr. Wallace, I want to be clear on the situation. Why was the threshold lowered to \$250,000? Why is the Treasury Board okay with it? Is it because digital advertising is cheaper and it's harder to reach the \$500,000 mark? Is that the reason?

[English]

**Mr. Peter Wallace:** No, not at all. It's to make sure we continue to capture 80% of all of the advertising being done. To the extent there are risks, and we appreciate there are risks, and whether or not they're realized, whether or not there's evidence or concerns about partisan advertising, it's a very bad thing. We absolutely need to make sure there is a second check. That's being done through Ads Canada.

The question is, do we have everything reviewed and have it go through all the same fairly mechanistic bureaucratic processes or do we set a threshold? Generally, in public administration, we set a threshold. In this case, the threshold collects 80% of the advertising being done and allows for a smaller number of ads to be done, again in compliance with policy but just not secondarily reviewed.

[Translation]

**Mr. Maxime Blanchette-Joncas:** Mr. Wallace, can you confirm that government ad spending has increased over the past five years?

[English]

**The Chair:** Mr. Wallace.

[Translation]

**Mr. Jean-Pierre Blais:** Madam Chair, I can provide the answer because it is in the report—

**Mr. Maxime Blanchette-Joncas:** Madam Chair, my question is for Mr. Wallace, from the Treasury Board.

**Mr. Jean-Pierre Blais:** All right.

[English]

**Mr. Peter Wallace:** Thank you.

**The Chair:** Mr. Wallace, can you answer the member's question?

**Mr. Peter Wallace:** The question broke up a little bit for me, but I believe either Ms. Acton or Mr. Blais can answer.

[Translation]

**Mr. Maxime Blanchette-Joncas:** I will repeat my question, Madam Chair.

Mr. Wallace, can you confirm for us that government spending on advertising has increased over the past five years? Has it increased, yes or no?

[English]

**Mr. Peter Wallace:** I can't confirm that directly, but I believe that Mr. Blais or—

[Translation]

**Mr. Maxime Blanchette-Joncas:** I can confirm it, Mr. Wallace. They invested \$36 million in 2016, \$39 million in 2017 and \$58 million in 2018.

Why is more being spent when it's cheaper to place online ads with the Web giants, on digital platforms?

**Mr. Jean-Pierre Blais:** Madam Chair, I can set the record straight.

According to the report, from 2015 to 2016, the amount invested decreased from \$42 million to \$36 million. From 2016 to 2017, it increased from \$36 million to \$39 million, and from 2017 to 2018, it went up from \$39 million to \$58 million. However, from 2018 to 2019, according to the latest public report, it went down from \$58 million to \$50 million.

So it varies from year to year. It should also be recognized that, in election years, no advertising is done for five to six months.

**Mr. Maxime Blanchette-Joncas:** Thank you for the clarifications, Mr. Blais. In that case, can you explain why we see a \$20 million increase from 2017 to 2018?

[English]

**The Chair:** Mr. Blanchette-Joncas, I'm sorry, but your time is up.

We will now move to Mr. Green for six minutes.

**Mr. Matthew Green:** Thank you.

I'd like to pick up on it. Mr. Blanchette-Joncas has some great lines of questioning.

I'm also stuck on the threshold.

As you know, Madam Chair, I'm on OGGO and procurement. We used to be on that committee together. One of the ways in which we found the public service skirted these thresholds was that rather than have \$300,000 as a contract, it would be broken up 10 times into \$30,000 or something like that.

Just to be clear, when we talk about the thresholds, is this per company for the entire year? It would make sense if it's only on the actual contract at hand. For instance, could one company have four contracts for \$249,000?

• (1245)

**Mr. Bill Matthews:** I could start, but I suspect I'll turn to Jean-Pierre in a moment.

It's for the campaign. My understanding—and, Jean-Pierre, correct me if you need to, or elaborate—is a campaign could involve multiple contracts. It's the campaign that I believe is the threshold, but I'll turn to Jean-Pierre.

**Mr. Matthew Green:** I'll accept that.

Maybe Jean-Pierre would have this question.

Is it the case that many of these firms bid on multiple contracts and multiple campaigns, or is there a diversity of firms for all the different needs?

**Mr. Jean-Pierre Blais:** It is by campaign, so it's globally. You look at the campaign. Even though it may be small—earlier we were talking about digital advertising—if it's a large campaign but there's a small very low-cost digital, it's still subject to review. What happens is the creative side is done by the departments, and they may use a standing offer or something else to do that, and then the placement is done by the agency of record, and the vast majority of the costs involve the agency of record. As you may or may not know, that is done by a very transparent public process and it's the agency of record that places that for everyone, for all the public.

**Mr. Matthew Green:** That's helpful.

You mentioned that 80% of these contracts are caught through this process. What happens to the 20%? How do we quality control that?

**Mr. Bill Matthews:** Again, 80% of the spending is what, I believe, Mr. Wallace said, but from a campaign perspective, if you're below that threshold, you're into a world where, again, the deputy head of the advertising department is accountable for the content. PSPC has a role to provide technical advice on legislative and policy compliance, but it's advice, and then it's at the department's discretion as to whether it wants, even though it's below a threshold, the review process to occur. That's a tool it has available to it should it so choose.

Exactly the same standards apply; there's just no external review.

**Mr. Matthew Green:** Without an external review, one of the things brought up in the report and in fact also said today was that the auditor can make assessments only on the information available, and there seems to have been significant information not available. I'm hearing today that some of this stuff has been remedied, which is good, but again, I'm also stuck on the fact that a low number of complaints is indicative of something there.

Through you, Madam Chair, to the deputy AG, how does whistle-blowing play into this? In their assessments and in this audit, are they looking at how there's a correlation between a culture that would allow for reporting or complaints internally to the public service versus...? I don't know. I'm just trying to get a sense of how better supported whistle-blowing programs might provide more clarity or raise more alarms early on.

**Mr. Andrew Hayes:** I'll answer that question as briefly as I can, because I suspect that time is running short.

The whole idea of whistle-blowing campaigns and complaint mechanisms is an important element in enhancing public trust. There are a number of ways that people can bring matters forward, the complaint process being one of them. We're always interested in hearing from the public about matters that they come across in their interactions with government. Of course, there are the internal mechanisms within departments, such as raising a concern to a deputy minister about the way that public servants are acting. Ultimately, the question that you bring up might be one that I understand the committee will be looking at shortly, about culture in the public service.

**Mr. Matthew Green:** Well, this is just it. We've had some studies that talk about a reluctance of public sector workers to speak up. I'm wondering how we might be able to apply this to this particular program given what's at stake. I think about Mr. Cutler. We've seen him before committee. Certainly he's a very passionate public servant continuing that work on transparency, but I can't imagine things ended very well for him back in 1996 when he first raised these concerns. I'm just wondering how we've been able to remedy that to ensure that if people see something, they have the ability to say something. Again, this is coming off a significant \$100-million scandal with multiple layers of complexity going back to the mid-1990s.

I guess I'll leave it there. I want to thank everybody for being so candid in their responses. Hopefully, we can provide some recommendations out of this committee that will help enhance future reporting back to this committee.

Thank you.

• (1250)

**Mr. Jean-Pierre Blais:** Madam Chair, perhaps I could quickly add something.

As a professional public servant who is subject to a code of conduct about non-partisanship, I have no doubt that I or my team, the reviewers would feel comfortable and supported if we had any concerns about non-partisan advertising occurring.

**Mr. Matthew Green:** That's great to hear. Thank you for that.

**The Chair:** Thank you very much, Mr. Green and Mr. Blais.

We will now go to our last round of questioning, which is a five-minute round. I will take the last minute to give you a couple of reminders as members of the committee.

We have Mr. Lawrence for five minutes.

**Mr. Philip Lawrence:** Thank you very much, Madam Chair.

I'm going to go back to the zero complaints, and I believe that's been clarified to be for 2020. I just want to know if you've done any surveys with respect to viewers of the advertisements and whether they were aware of the ability to complain.

**Ms. Kelly Acton:** I think what I would say is no, not per se, but as I say, 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.

**Mr. Philip Lawrence:** I see Mr. Hayes has his hand up.

**The Chair:** Yes, Mr. Hayes.

**Mr. Andrew Hayes:** Thank you very much.

I just wanted to make a precision. In our report, we did mention in paragraph 4.61 that we had received information from the Treasury Board of Canada Secretariat officials and PSPC officials that they were not aware of any complaints in the period prior to 2020 as well. I just wanted to make that clear on the record.

**Mr. Philip Lawrence:** Thank you.

On the advertisements, whether they be advertisements on the web, on paper or on the radio, is there ever contained a disclaimer or a warning or suggestion that people can complain? It is common practice. The Mutual Fund Dealers Association of Canada puts that on every form. Is there any of that disclosure?

**Ms. Kelly Acton:** Perhaps I would offer that one thing that is actually really critical for all Government of Canada advertising is clear attribution to the Government of Canada, so in the event that someone did see an ad and had concerns, they would have no doubt, in fact, that it was an ad representing the government.

**Mr. Philip Lawrence:** Yes, but they wouldn't know necessarily that there was a complaint procedure.

**Ms. Kelly Acton:** I would say I'm not aware of ads that have that included in the ad content.

**Mr. Philip Lawrence:** It might be something to consider. I'd also recommend doing a survey, as I believe that would actually let you guys know whether anyone's reviewing it. Is it zero complaints? If, for example, there were no complaints about discrimination in the workplace, I would be worried. I'd be very concerned. Why aren't people reporting that? I wouldn't just say, "You know what? Maybe there's no discrimination."

I think we need to look at that seriously.

I'm hoping that you can dissuade me of some concerns I have. Let's just say that the government decides to push its tentacles into the public service, as has happened in SNC-Lavalin, or might have happened in the WE Charity scandal. Then they say, "You know what? This Philip Lawrence guy keeps asking our officials all these annoying questions. We want to get rid of him."

There's a flooding issue that's around my riding, and Bay of Quinte has a Liberal member. They say they're going to pump in 25 thousand dollars' worth of media to say how much they're doing

to protect against flooding in that particular riding, but they're not going to put that money in.... I'm wondering if there's anything external to stop that \$25,000 social media control, because I'm not hearing any. I want to believe there is, but I'm not hearing any.

**Ms. Kelly Acton:** I apologize as the audio did cut in and out for a moment, but I would say that even that very small amount of money is subject to all of the same protections and prohibitions around...and it cannot be non-partisan and it cannot be otherwise part of a larger campaign. The definition of non-partisan for the first time is now articulated in definitions in both the policy on communications and the directive on the—

● (1255)

**Mr. Philip Lawrence:** I get that. There are rules and you guys have done some great jobs. I have no doubt that the public service works very hard every day to be non-partisan, but if you had pressure put on and you felt like you couldn't whistle-blow, is there an external review for that?

**Ms. Kelly Acton:** What I would say is that the external complaint process is available for any ads, no matter how small or how large.

**Mr. Philip Lawrence:** Okay, so there's no external review for under \$250,000. Then, it is conceivable that we could get something that was partisan out of the door for under \$250,000.

**Mr. Peter Wallace:** It's still, of course, subject to exactly the same policies and all of the same professionalism and other elements.

Obviously, under extreme scenarios, any of these things could become compromised, and that's where the complaints mechanism, but also the general guardianship of the public service and the professionalism, needs to come into place.

I think Mr. Blais has already spoken about the broad reliance on the professionalism of the public service in this area.

**The Chair:** Thank you very much, Mr. Lawrence, Mr. Wallace and Ms. Acton.

We will now go to our last questioner for five minutes.

Ms. Shanahan.

**Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.):** Thank you very much, Madam Chair.

It is a real pleasure to have the opportunity to be part of this committee. I welcome the chance also to thank our public servants here today from the Auditor General's office, PSPC and the Treasury Board for the work that they do. The integrity that they bring to the table, I think, is unparalleled when we look at what happens elsewhere.

Indeed, it reminds me very much of some of these conversations and discussions that we had when I was on the public accounts and government operations committee three or four years ago: that the intent of the legislation and the policy was that, regardless of the government in power, the public servants would be empowered to make those determinations of what constitutes partisan advertising and would be able to act accordingly.

On that note, I would like to ask what the criteria are. Maybe give me a couple of examples of what constitutes partisan advertising.

**Ms. Kelly Acton:** I will answer very quickly from, again, the definitions that underpin the communications policy and the directive on communications. Non-partisan means objective, factual and explanatory and free from any political party identifiers or slogans. The primary colour of the governing party cannot be present, unless an item is commonly depicted in that colour. It cannot carry the name, voice or image of a minister, member of Parliament or senator. That's the definition of non-partisan.

**Mrs. Brenda Shanahan:** Very good. Thank you.

I understand the Auditor General's point that there is a deficiency in documentation. That has been noted, because I can appreciate that the Auditor General cannot measure or report on what is not seen, so I would like to ask about the documentation process, both internally in government departments and with the Ad Standards Council.

Can someone respond to that?

**Mr. Jean-Pierre Blais:** Perhaps I can help on that side.

If there was an advertising campaign, under the federal policy the department would develop a rather elaborate communications plan. If it's subject to review, we would also receive that, and there would be two review processes.

Maybe I can add—and Deputy Matthews mentioned it a moment ago in his opening remarks—that we're positioning a new AdMIS program. It's going to come online on the first of April. It's a cloud-based solution that will allow much better documentation of the various steps. Going forward, quite apart from the new criteria that we outlined that we put in following the Auditor General's report, we will have a system that actually is able to track even better the ad-clearing process.

Thank you.

**Mrs. Brenda Shanahan:** Thank you for that.

I actually want to note for the benefit of other committee members that something that we were seized with a few years ago was the matter around data capture. That was something where there were great deficiencies. It's very hard to measure and review what you don't have data concerning.

Also, I want to commend the departments on their completion of the action reports. That was another issue that we were seized with.

The Auditor General's reports would be produced at much cost and with much attention, but then were not necessarily followed up on. Now I see the action reports that are communicated to this committee, which are very useful. We can see the progress that is made or not made and can react accordingly.

Madam Chair, do I have any time left?

• (1300)

**The Chair:** You have one minute.

**Mrs. Brenda Shanahan:** My last question concerns that external process. How long does that take? I see that there certainly are a number of campaigns that were referred to the external process. How long does it take?

**Mr. Jean-Pierre Blais:** It really depends on the creative. We're bundling it. As others have said earlier, a campaign can have a lot of creative elements, from a full-scripted storyboard television ad or radio ad to just a banner. If it is just a banner, you can imagine that it doesn't take a lot of time and the turnaround from the initial review to the final review can be a matter of days. If it's more complicated, it obviously takes more time.

**Mrs. Brenda Shanahan:** Are we talking about days, weeks or months? Has it every happened that it's much longer?

**Mr. Jean-Pierre Blais:** No, it's rather efficient. We are talking days.

Remember that there is an initial review, so they already are aware of the creative by then.

**The Chair:** Thank you very much, Ms. Shanahan and Mr. Blais.

Witnesses, I would like to thank you for attending our meeting today and for the testimony you have provided. We do appreciate it.

I will invite you to take your leave. Thank you.

Colleagues, I have just a very quick reminder that there is no committee meeting on Thursday, but you should have received an invitation for the Auditor General's virtual lock-up, which is happening between 12 p.m. and 1 p.m., eastern standard time. The log-on information will be sent to you later this week.

Is the committee in agreement to adjourn the meeting?

I see thumbs up. Great. Thank you.

The meeting is adjourned.





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