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**EVALUATION OF THE
COMMERCIAL AND ECONOMIC COMMUNICATIONS SERVICES
OF THE
DEPARTMENT OF EXTERNAL AFFAIRS
TECHNICAL REPORT**

OCTOBER 1987

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ECONOMIC COMMUNICATIONS SERVICES
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1.0 INTRODUCTION

1.1 Commercial and Economic Communications Services: An Overview

1.1.1 Historical Perspective

Communications tools are used on an international scale by governments and the private sector to support economic and commercial objectives, including trade promotion. In Canada, various federal departments have played a strong role in this area since the turn of the century.

The focal point for the trade promotion effort was originally in the Department of Industry, Trade and Commerce (ITC) and its predecessors. In 1982, the Department of External Affairs (DEA) inherited the trade promotion function from ITC and also assumed some of the responsibilities for investment promotion.

In 1986, the Communications and Culture Branch (CCB) was established to provide a more comprehensive and forceful approach to communications with DEA's domestic and foreign audiences, and to take maximum advantage of the communications expertise throughout the Department.

The establishment of the Communications and Culture Branch was preceded by a number of studies of DEA's communications. "The Report of the Task Force on Communications" (August 1983) followed the integration of the trade promotion function by the Department, but nevertheless called for a more organized approach, particularly with respect to domestic communications.

Similarly, "An Examination of Canadian Communications to meet U.S. Related Economic and Policy Objectives" (March, 1985). This called for a focused public affairs communications strategy for U.S. audiences.

A review of Trade Publications produced by the (then) External Information and Creative Services Division in early 1985 generated a number of findings and recommendations relevant to this study: In particular, the study found that:

- A commitment from senior management in the trade sector of the Department to a well-defined communications policy is required;
- Criticisms were often aimed at the costliness of the trade publications design;
- Canadian trade publications were severely challenged to hold their own among those from other trading nations;
- To maintain its integrity as a valid source of information, the Division must produce useful information to be delivered to the right person in the right place at the right time;
- Publications will need to be more specific in matching the needs and interests of target audiences. Better liaison, readership surveys and the development of evaluation procedures would aid in the choice of topics and products;
- The validity of public diplomacy skills is not recognized in the foreign service and consideration should be given to developing a new profile for foreign service officers that includes this skill; and

- ° The Department should develop a knowledge of outside publications from the federal and provincial governments and the private sector.

A survey was conducted in 1984 to determine the perceptions of CanadExport (DEA's primary export publication) among its readership after just one year of production. The findings suggested that the original objectives of providing useful information to members of Canada's export community were being met, both for those who had already established export markets and those who were interested in initiating export opportunities. The context area of greatest interest was information on trade opportunities, followed by trade fairs and people to contact.

As described below, this report builds upon these various studies in evaluating the economic and commercial communications services at DEA.

1.1.2 Focus of the Evaluation

In the context of the Communications and Culture Branch, the term "communications" encompasses all aspects of the Department's public communications, that is, all those activities which come under the general headings of:

- ° domestic communications, i.e., activities aimed at improving the Department's sensitivity to public concerns and perceptions; increasing the level of service to the public; improving the public understanding and

satisfaction with government/departmental policies, programs and services;

° public diplomacy, i.e., the wide array of cultural and information programs delivered abroad in support of the international trade and foreign policy objectives of the government and all its departments and agencies.

This evaluation focuses primarily on commercial and economic communications, both domestic and abroad, in the fiscal year during which the Communications and Culture Branch was created (1986-87). It thus provides a "snapshot" of the function at a particular point in time, though many of the lessons learned still apply today. To establish the context for the evaluation and its recommendations, it is essential to outline how commercial and economic communications were organized at that time and how they have evolved with BCB.

Prior to the establishment of BCB, trade divisions in the geographic branches and the International Trade Development Branch initiated trade promotion communications projects. The Domestic Information Services Division (SCI) or External Information and Creative Services Division (SCS) in the Social Affairs and Programs Branch provided project management services. Most of the funds for communications projects resided in the trade divisions themselves, but a proportion of the funding (about 14 per cent in 1985/86) came from SCI and SCS.

Fairs and Missions communications activities were undertaken by the program divisions within the geographic branches. These program divisions also drew on SCI and SCS for communications project management and for a portion of the funding.

Other economic and commercial communications services (e.g., bilateral and multilateral trade negotiations) were initiated by the divisions responsible. These divisions had much the same funding and service arrangements with SCS and SCI as the trade and program divisions.

As mentioned above, the Communications and Culture Branch was established in early 1986. It has overall responsibility for the Department's public communications in Canada and abroad. In 1987-88, the Branch will account for 3.6 per cent (\$32.12 million) of the Canadian Interests Abroad Program budgetary expenditures and 3.3 per cent (143) of its person years. Appendix A displays the organizational structure along with the resource activity summary for this Branch.

Of major interest to this evaluation is the Trade Communications Bureau (BTD). This Bureau is responsible for the development and delivery of communications programs in Canada and abroad which support trade policy and trade promotion initiatives. It consists of a Domestic Trade Communications Division (BTC) and Trade Communications Abroad Division (BTA). Appendix B provides the program evaluation component profile for this activity.

Although BTD has the functional responsibility for trade communications, the budgets continue to reside almost completely in the trade and program divisions in the geographic, trade and economic policy and development branches. The budgets for trade communications once administered by SCS and SCI no longer exist in their new organizational counterpart -- the Production and Technical Services Group (BCP).

Clearly, DEA is committed to a form of matrix management and coordination of its communications activities. The responsibility for planning and implementing communications services rests with the Communications and Culture Branch, as do the person-years of trained communications personnel. Yet, the trade divisions in the geographic and functional branches have the financial authority in the form of budgets for communications projects.

Exhibit 1 displays in model form the activities, outputs, and intended impacts and effects of the commercial and economic communications activities at DEA. The objectives of this program of activities were not clearly defined prior to the evaluation. Deriving them from the stated objectives of the related functional areas, the program aims:

- . To educate the Canadian public and business about the importance of exports to Canada's economy;
- . To increase the Canadian public's awareness of Canada's economic and trade policy objectives;
- . To provide trade information to Canadian exporters;
- . To enhance Canadians' awareness of DEA's role, programs and services;
- . To improve the understanding among foreign audiences of Canada's trade policies, goods, services and investment opportunities;
- . To promote foreign investment;
- . To promote Canadian goods and services; and

- . To increase Canadians' awareness of export and import controls.

As outlined below, the evaluation examined the Department's success in pursuing these objectives.

1.2 Background and Objectives of the Study

Services and Subsidies to Business, A Study Team Report to the Task Force on Program Review (1985), expressed concern about lack of coordination, duplication and overlap with provincial activity in its review of Domestic and External Trade Information Services at DEA. With these considerations in mind, the Ministerial Task Force on Program Review called for an evaluation of the efficiency and effectiveness of DEA's external trade and domestic information services. This study is in response to that call.

The focus of the evaluation on economic and commercial communications services also reflects the priority accorded this area by DEA. More specifically, the study should provide the Communications and Culture Branch with assistance to build a trade emphasis into its activities. As noted above, the timing of the evaluation overlapped the reorganization and start-up period of the Communications and Culture Branch.

In April 1986, the Evaluation and Audit Committee approved four key evaluation issues for the study:

1. What economic and commercial information should be flowing to business, the public, institutions and governments from DEA, in Canada and abroad, i.e., what are the information needs of domestic and foreign audiences?

2. Is DEA effective in meeting these needs?
3. Are DEA's communications tools supporting departmental program objectives?
4. Are there cost-effective alternatives to current communications tools and existing delivery channels?

The approaches to data collection and the subsequent analyses were designed to address each of these evaluation issues.

1.3 Evaluation Methodology

1.3.1 Phase I: Evaluation Planning

The evaluation proceeded in two phases. Phase I was essentially a planning stage. Its objectives were to identify existing commercial and economic communications tools, to obtain a preliminary idea of who the target audiences are and their needs, to refine the research issues, and to propose an appropriate survey approach. This phase involved two preliminary data collection activities:

- . The development of an inventory of the communications tools used by DEA headquarters in 1985/86, as well as the instruments used for similar purposes by other government departments; and
- . Five focus groups in Montreal and Toronto to obtain reactions to the content, format and delivery of economic and commercial communications produced by DEA.

For each respondent division or department, the inventory contains data on the commercial and economic communications activities or instruments, type of message, objectives, target groups, resource allocations, and monitoring or follow-up activities. Covering fiscal year 1985-86, the inventory represents the first step in developing a communications project planning and tracking system at DEA. (Appendix C provides a summary of DEA's expenditures in relation to economic and commercial communications by type of tool, intended results and DEA branch for 1985-86).

The focus groups, conducted in English and French with Canadian clients/exporters, discussed commercial and economic communications in general and specifically those originating from DEA. As well, participants recommended services that should be offered to business. The findings were used to develop the survey instrument and approach for Phase II.

1.3.2 Phase II: Data Collection

Exhibit 2 presents the evaluation issues, indicators and related data collection methods employed in Phase II. As shown, several modes of data collection were used.

The first was a telephone survey aimed at domestic clients and related groups. The purpose of this survey was to identify the information needs of clients and the extent to which these needs were being met. With questionnaires for each respondent group (as contained in Appendix D), completions were achieved with:

- . 492 Canadian exporters in nine industrial sectors;

EXHIBIT 2: EVALUATION ISSUES, INDICATORS AND DATA COLLECTION METHODS

<u>Evaluation Issues</u>	<u>Measurable Indicators</u>	<u>Data Collection Methods</u>
1. What economic and commercial information do client groups need from DEA? Client groups are: - business - academics, media & trade associations - provincial government agencies	. Identification of business needs for DEA communication services in area of: - promotion of Canadian trade and investment overseas. . As above but for academics, media, provincial agencies and trade associations in areas of: - promotion of Canadian trade and investment - foreign policy issues related to trade and investment - multilateral and bilateral negotiations.	. business survey . survey of foreign audiences . interviews with: - academics - media - trade associations - provincial agencies involved in trade
2. Is DEA effective in meeting the needs identified above?	. Opinion of different client groups as to how informed they are about DEA messages and how useful the information is.	. business survey . survey of other clients (i.e. govt., trade associations, academics and media)

EXHIBIT 2: EVALUATION ISSUES, INDICATORS AND DATA COLLECTION METHODS

Evaluation Issues	Measurable Indicators	Data Collection Methods
3. Are DEA communications effective in supporting departmental program objectives?	. Each client group's awareness of DEA policies and programs related to: - promotion of Canadian trade and investment - Canadian trade policies - multilateral/bilateral negotiations	. business survey . interviews with other clients
4. Are there cost effective alternatives to current communication tools and delivery channels?	. Opinion of clients as to alternative sources of information, areas of overlap and complementarity . Identification of alternatives available from other government agencies	. business survey . personal agencies - provincial interviews with: - academics - media - trade associations . interviews with other government departments to identify areas of complementarity and overlap . interviews with DEA staff

- . 21 members of the academic community interested in commercial and economic issues;
- . 20 media representatives;
- . 10 trade associations; and
- . 10 provincial government trade representatives.

The exporter group was chosen on the basis of a stratified random sample and yielded a response rate of approximately 80%. The other respondent groups were chosen on a selective basis.

The second survey was aimed at foreign audiences. This involved two approaches:

- . An indirect survey of foreign audiences: personnel in each commercial/economic related program area at a sampling of Canadian missions abroad filled out a questionnaire. Twenty-six Canadian missions were approached and 15 responded.
- . A direct survey of foreign audiences: Canadian missions abroad identified selected foreign clients, and asked these clients to fill out a questionnaire. Returns were received from 53 clients associated with seven missions.

The purpose of this survey was to identify information needs and problems outside Canada. The response rate was quite low: posts were left the option to survey clients in their area as they felt it appropriate. For reasons of cost and timing, the survey could not be conducted on a random basis abroad.

Nevertheless, the comments and responses received provide useful insights from the foreign clients' perspective.

In addition to the two surveys, personal interviews were conducted with officials in eight other government departments (OGDs) and representatives of all geographic and functional bureaux in DEA. The purpose of these interviews was to identify any problems with the program's operation and organization and to suggest ways of overcoming any duplication or lack of focus. An inventory of specific ideas for improving the effectiveness of DEA communications was completed as a result.

1.4 Organization of the Report

The following chapters present the evaluation findings. Specifically,

- . Chapter 2 analyses whether DEA is meeting the information needs of Canadian exporters;
- . Chapter 3 examines the use of DEA's commercial and economic communications by other domestic and foreign audiences;
- . Chapter 4 looks at whether DEA's commercial and economic communications are supporting departmental program objectives and suggests cost-effective alternatives that might improve the effectiveness of the current program of communications activities; and
- . Chapter 5 summarizes the key findings and conclusions related to the evaluation issues.

Recommended strategies for improving the organization of commercial and economic communications, as derived from interview data, are presented separately.

2.0 IS DEA MEETING THE INFORMATION NEEDS OF CANADIAN EXPORTERS?

2.1 Profile of Business Survey Respondents

The survey population consisted of exporters from across Canada in industrial and service sectors that were expected to be current or potential users of DEA's commercial and economic communications services. The sample size of 500 allowed for 10 sectors with about 50 respondents in each.

The number of completed interviews by sector and region is shown in Exhibit E-1 (Appendix E). Two of the sectors -- electronics and telecommunications -- were combined for the purpose of analysis. The survey found that most firms in these fields produce both types of products.

Of the nine sectors surveyed, two are service (consulting and software) and seven are industrial. The characteristics examined were:

- . type of products produced and exported;
- . size of business in terms of gross revenues and number of employees;
- . years of export experience;
- . importance of exports in relation to total revenues;
and

- . destination of exports.

Exhibit E-2 (Appendix E) summarizes these characteristics. Looking at some of the key variables by sector:

- . Consulting firms are the smallest in terms of annual revenues and receive almost 50% of their revenues from exports.
- . The software sector is the youngest in terms of export history, with over 33% of these firms having exported for fewer than four years.
- . The fisheries sector is the oldest export sector and receives over 50% of revenues from exports (with 89% of surveyed firms exporting processed fish and 35% exporting fresh fish).
- . Manufacturers of mining and forestry equipment are relatively unspecialized. They also tend to manufacture other types of equipment (e.g., construction equipment). In both sectors, over 85% of the companies have exported for more than three years.
- . The wood products sector is the most export-oriented of all sectors (reporting 68% of revenues from exports). Close to 90% of firms in this sector have exported for more than three years. This sector exports two main products: secondary wood products (53% of exports) and lumber (32%).

- . Oil and gas equipment manufacturers are largely concentrated in Western Canada (85% of firms). Approximately half (51%) began exporting 4-10 years ago.
- . Telecommunications/electronics is a "high tech" sector with a large number (21%) of young firms having fewer than three years of export experience.
- . Food producing firms are the largest in terms of average revenues, but only 9% of their revenues comes from exports. Half of the firms in this sector have exported for more than 10 years.

The United States is by far the most frequent destination for goods exported by all nine sectors. Of the firms surveyed, over 84% export to the U.S.A. Other important destinations and the percentage of firms exporting to these regions include:

Western Europe and U.K.	40%
Oceania (Australia, New Zealand and South Pacific)	28%
Middle East	16%
Japan	15%
Asia (except Japan)	13%

Significant sectoral differences exist in export destinations. The Reports on the client surveys provide further details.¹

¹ "Communications Services Evaluation Phase 2 - Client Survey"
The DPA Group Inc. (January/February 1987).

2.2 Information Needs of Canadian Exporters

2.2.1 Types of Information Needed

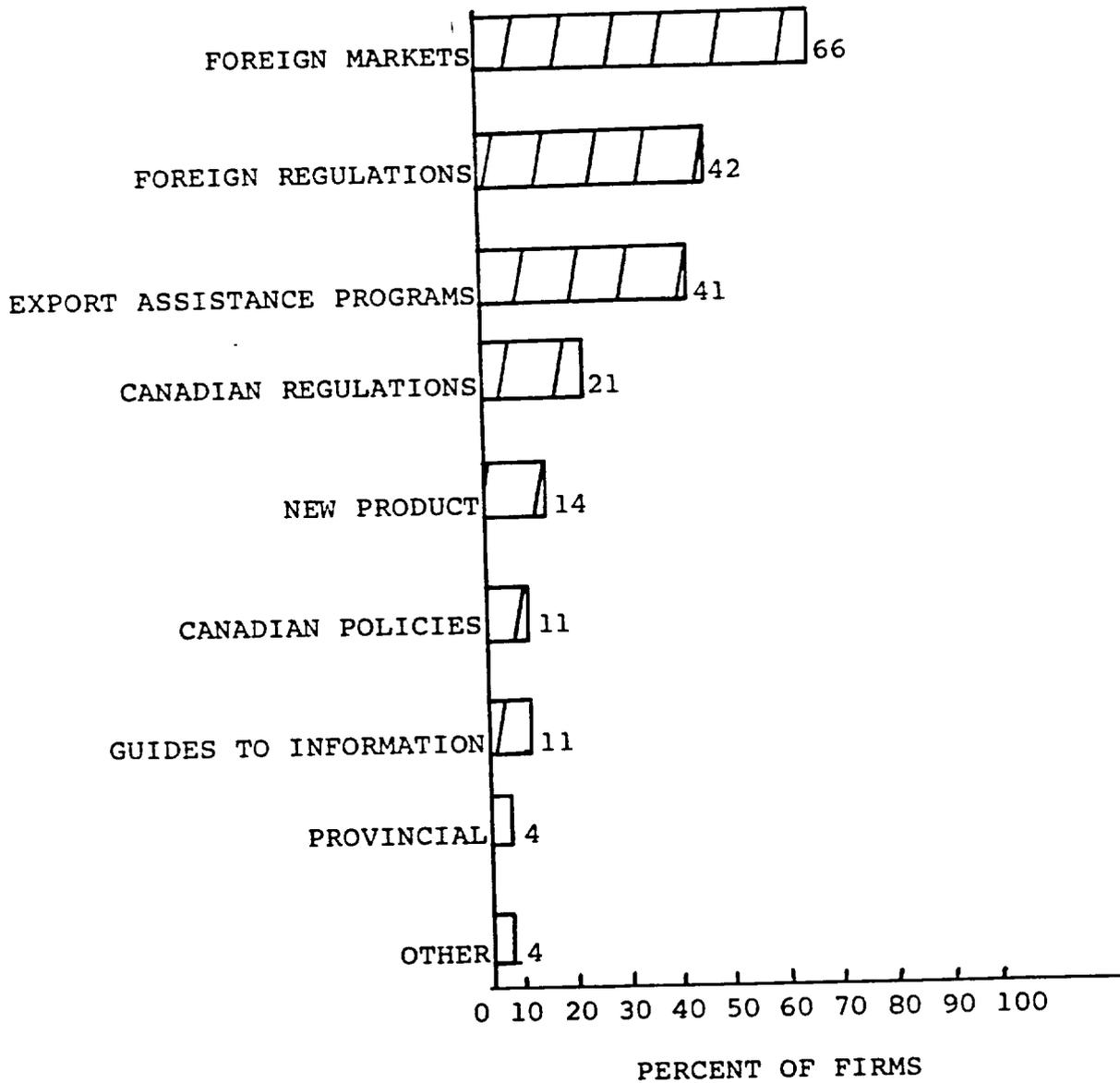
Exporters were asked to identify their most important information needs for conducting export activities. As shown in Exhibit 3, information on foreign markets was identified most frequently (66% of the firms interviewed) followed by information on:

- . foreign government regulations and policies (identified by 42% of respondent firms);
- . export assistance programs (41%); and,
- . Canadian government regulations (21%).

Needs vary somewhat by sector. Foreign market information is considered most important by: consultants (77%), forestry equipment manufacturers (79%), and oil and gas equipment manufacturers (83%). Both the consulting and oil and gas sectors sell a large proportion of their products and services to third world and non-market economies which are difficult to penetrate. The forestry equipment sector faces a diffuse market of logging contractors and small companies, which possibly explains its requirement for more market information.

Information on foreign regulations is considered most important by the fisheries (60%) and food products sectors (71%), reflecting their concern with health and labelling requirements. In contrast, the software and oil and gas sectors are less concerned about foreign regulations: only 27% and 21% respectively identified this as their most important information need.

EXHIBIT 3: MOST IMPORTANT INFORMATION NEEDS OF EXPORTERS



Source: Export Business Questionnaire, Section B, Question 1.

Information needs do not vary significantly by region across Canada. Moreover, needs do not vary much by firm size although there is a slight tendency for larger firms to require less foreign market information.

Needs do vary slightly by age of firm, however. Generally, emphasis on the top three specified needs (foreign markets, foreign regulations and export assistance) increases with the age of the firm.

Respondents were also asked to identify more precisely the types of information required within the three main information need categories specified by exporters. The most frequent types of information cited are shown below:

Information Need and Type	Number of Firms	Percent of Responses
Foreign Markets	314	
1. market opportunities		
2. information on market size, demand, etc.		40 20
Foreign Government Regulations	203	
1. tariffs and restrictions		56
2. legal questions		27
Export Assistance Programs and Services	194	
1. general information on programs		53
5. financial assistance		23

Clearly, the single most frequent type of information needed by the surveyed exporters relates to foreign market opportunities. Information on market opportunities was specified 159 times by respondents, more than any other information type. Of the 1162 information types listed by respondents, only two others were specified more than 100 times:

- . information on foreign government tariffs and restrictions (135 responses); and
- . general information on export assistance programs and services available (118 responses).

Surprisingly, only 10% of those who identified foreign markets as their most important information need specified information on how to develop contacts.

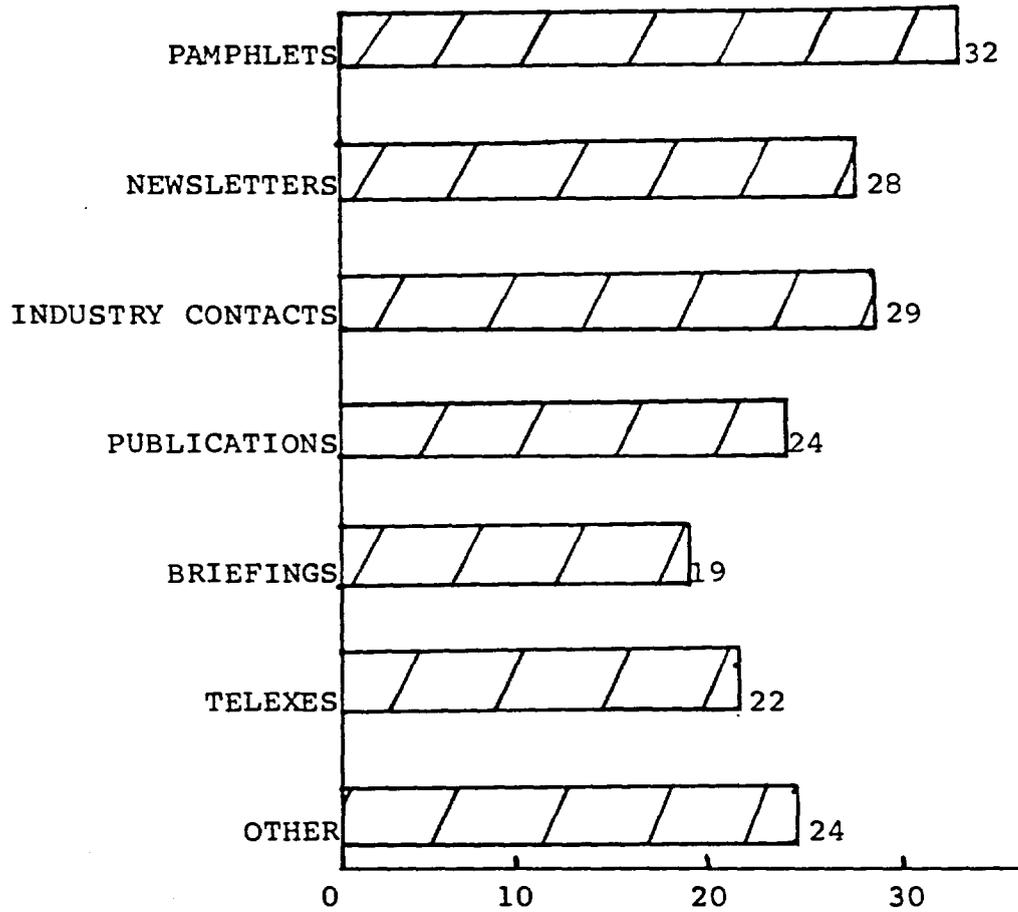
2.2.2 Presentation of Information

For each type of information need identified, respondents were asked to describe how they currently receive the information (i.e., publication, telex, industry contacts, etc.) and how they would prefer to receive it. The results are shown in Exhibits 4 and 5.

The same type of information is often received in more than one form. For example, information on foreign market opportunities could be obtained through briefings, industry contacts and/or publications. Thus, multiple responses were given and the percentages in the exhibits reflect this. Percentages are based on 460 firms receiving information from all sources.

As shown, none of the current methods of presentation emerge significantly more than the others, although news-letters and pamphlets were reported somewhat more frequently. For over 50% of the information needs cited, respondents reported being satisfied with the existing method of presentation. However, of the information not currently received in newsletter or pamphlet format, 7% and 17% of the respondents respectively would prefer that format.

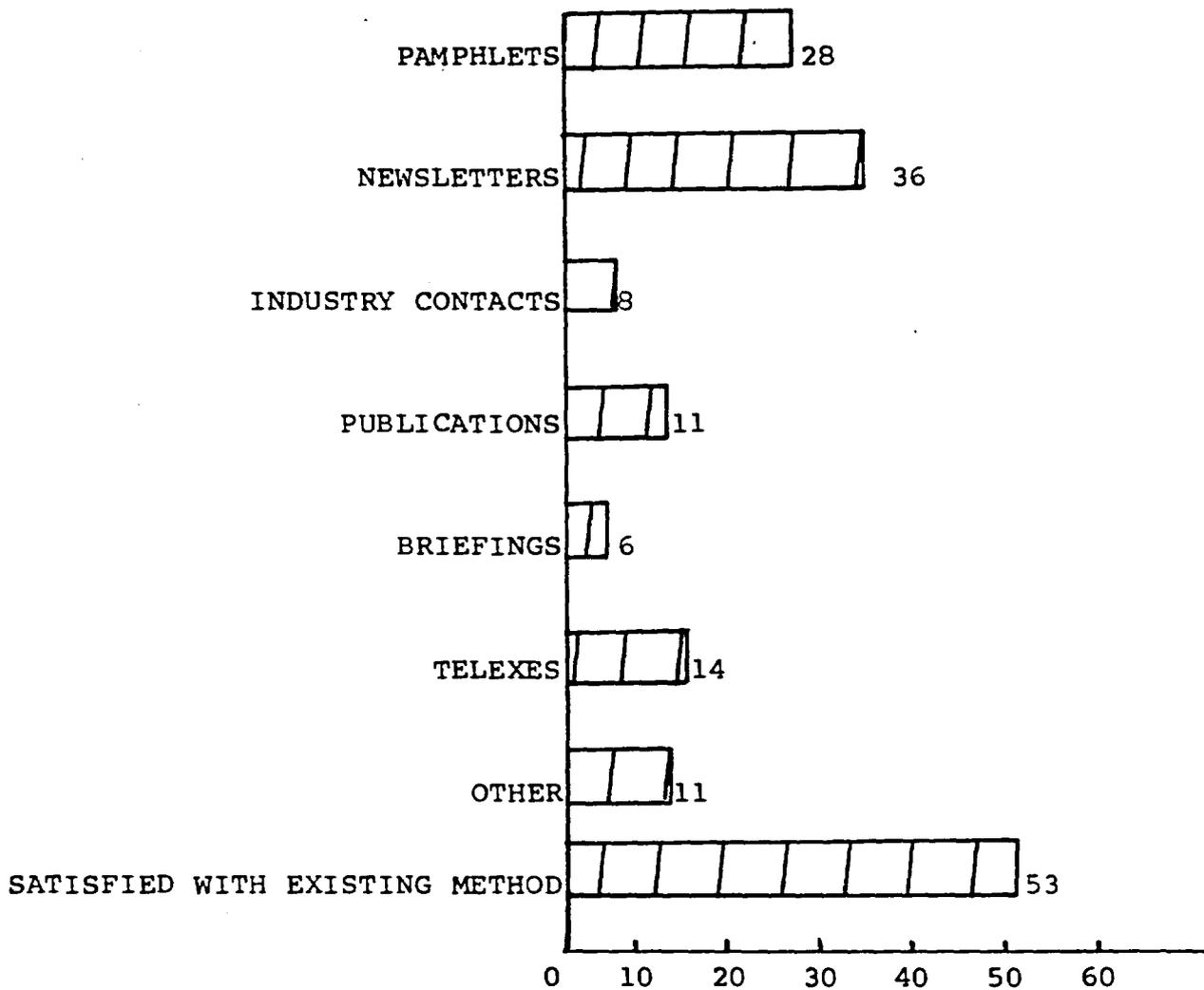
EXHIBIT 4. CURRENT PRESENTATION OF INFORMATION RECEIVED BY EXPORTERS



PERCENT OF FIRMS RECEIVING INFORMATION BY TYPE

Source: Export Business Questionnaire, Section B, Question 4.

EXHIBIT 5. PREFERRED PRESENTATION OF INFORMATION EXPORTERS NEEDS



PERCENT OF FIRMS INFORMATION NEEDS BY TYPE

Source: Export Business Questionnaire, Section B, Question 5.

Of the presentation formats included in "other", personal communication with DEA or other federal or provincial representatives was the most frequently mentioned, both for current and preferred types of delivery. Three additional forms of presentation are included under "other": video, electronic and seminar/workshop. The breakdown of "other" for both current and preferred methods of presentation is shown below:

	<u>Current (%)</u>	<u>Preferred (%)</u>
Personal Communication	19.3	6.1
Seminar/Workshop	10.4	6.3
Electronic	0.4	5.4
Video	0.4	0.9
Total "Other"	23.5	9.1

Grouping current methods of presentation, print and personal contact occur in about equal proportion (48% vs. 46% respectively). When asked about preferred methods of presentation, respondents chose print (i.e., pamphlets, newsletters and publications) over personal contact (i.e. workshops, briefings,) in a ratio of 45% to 14%.

2.3 How are These Information Needs Being Met?

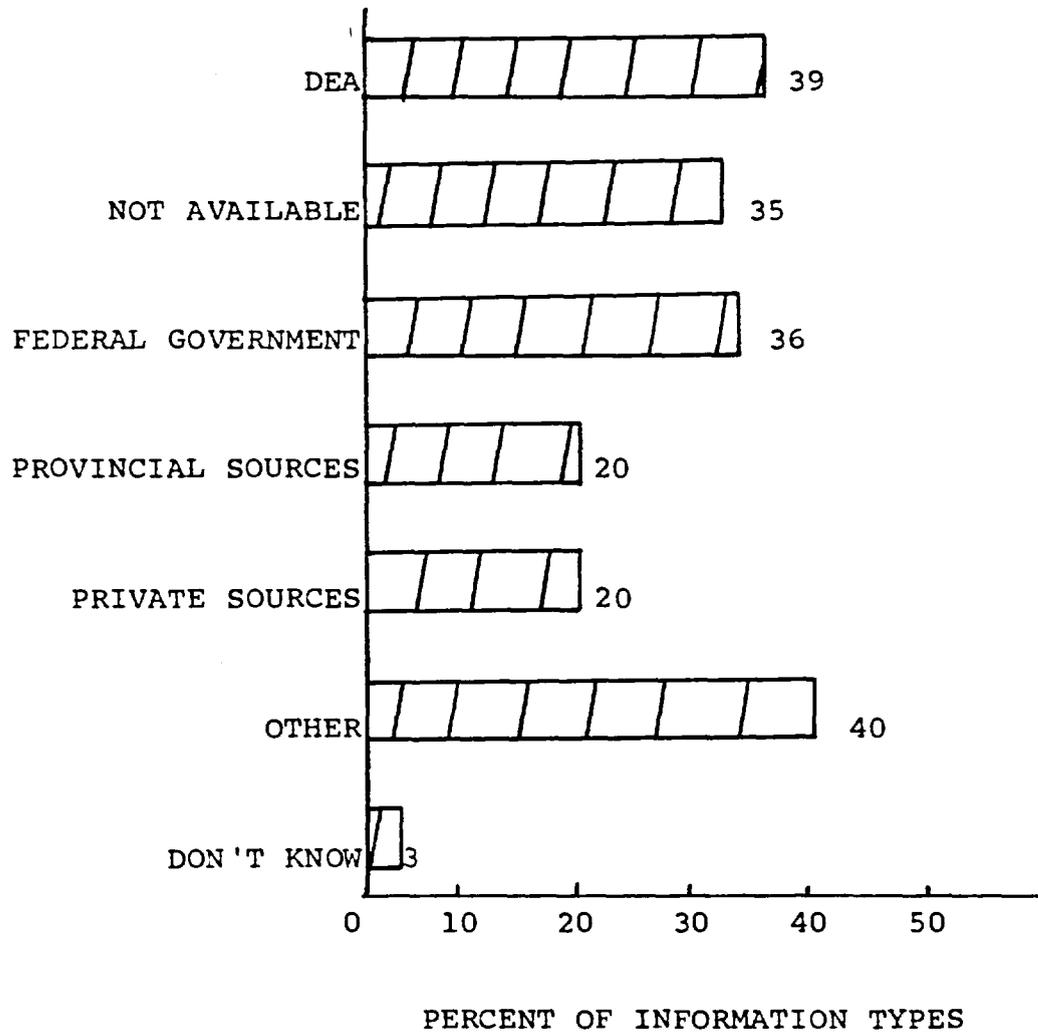
2.3.1 Sources of Information

Respondents were asked to identify the source of information they currently receive. As shown in Exhibit 6:

- . For information needed by exporters, the largest source is DEA (39.3%) with the second largest being other federal government sources (35.9%). Overall 59.1% of firms identified the federal government as the source. (Multiple responses account for the difference here).
- . 35% of the respondents perceive that information they need is not available to them;
- . Provincial and private sources each provide information needed for only 19%;
- . The "other" category combines seven miscellaneous sources which together provide 43 percent of the needed information. These sources fall into three groups: U.S. sources and development banks (18.6%); other foreign sources (19.3%); personal contacts, academic and other sources (24.3%).

Exhibit 7 compares the types of information supplied by External Affairs with other federal government sources. As shown, External Affairs is not the most frequently identified source for two of the three most important information needs, foreign markets and foreign government regulations.

EXHIBIT 6. SOURCES OF INFORMATION USED BY EXPORTERS



Percentages are based on the number of firms (460) and do not add to 100 due to multiple responses (i.e., more than one source may be used for information).

EXHIBIT 7: INFORMATION NEEDS MET BY FEDERAL GOVERNMENT SOURCES OF EXPORT

Need and type of information	# of Firms	DEA	Other federal departments	DEA plus other federal departments
		(% of firms reporting source)		
Foreign Markets	303	32.7	20.1	46.9
. Market opportunities	159	33.3	14.5	45.3
. market size, demand, etc.	77	19.5	14.3	26.0
. Job opportunities	37	35.1	37.8	54.1
. How to develop contacts	39	23.1	7.7	30.8
Foreign Gov't Regulations and Policies	195	20.0	17.4	32.8
. Tariffs & Restrictions	134	21.6	16.4	33.6
. Legal Questions	66	9.1	9.1	16.7
Export Assistance Programs and Services	189	36.5	32.3	57.7
. General information	118	40.7	27.1	55.9
. Info on PEMD	7	71.4	57.1	100.0
. Financial assistance	54	14.8	37.0	40.7
. Insurance programs	8	12.5	62.5	75.0
Canadian Gov't Regulations	96	38.5	40.6	67.7
. General Information	37	43.2	35.1	64.9
. Export Controls	39	30.8	28.2	48.7
. Legality of exporting goods/services	14	14.3	50.0	57.1
. Export permits	12	50.0	25.0	66.7

**EXHIBIT 7: INFORMATION NEEDS MET BY FEDERAL GOVERNMENT SOURCES OF EXPORT
(Cont'd)**

Need and type of information	# of firms	DEA	Other federal departments	DEA plus other federal departments
(% of firms reporting as source)				
Technological Changes/ New Products	1	0.0	100.0	100.0
Guides to Information Available	66	6.1	9.1	15.2
. on programs & assistance	58	5.2	8.6	13.8
. "How to" Guide	7	0.0	14.3	14.3
. What info is available	1	0.0	0.0	0.0
Canadian Government Policies	47	40.4	31.9	61.7
. General information	28	50.0	21.4	60.7
. Country-specific policies	8	37.5	12.5	37.5
. Incentives (\$'s)	5	20.0	60.0	60.0
Provincial Policies & Regs.	51	11.8	3.9	15.7
Other Needs	5	0.0	20.0	20.0

It is, however, of more importance as a source for export assistance program information, particularly if combined with other federal government sources. The main information areas for which DEA is identified most frequent as the source are:

- . Canadian government policies and regulations;
- . Canadian export permits; and
- . Export assistance programs.

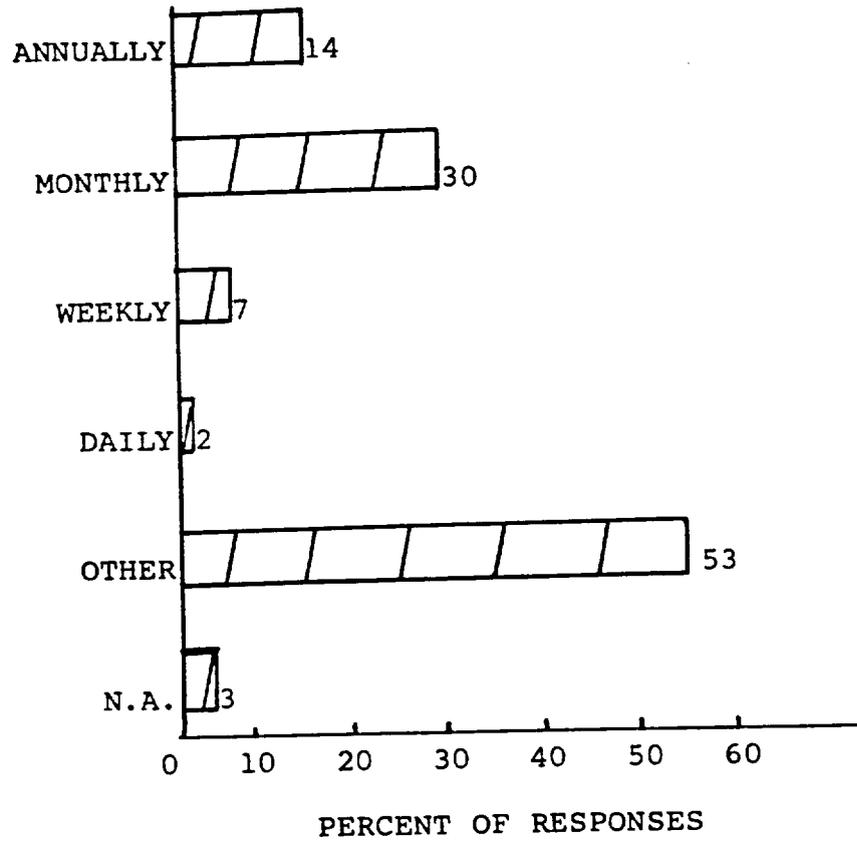
Respondents were also asked to specify the frequency with which they receive information from External Affairs or other federal government sources. As the results in Exhibits 8 and 9 show, about 50% of the responses indicated material is received irregularly.

2.3.2 Unfilled Information Needs

The areas in which information is lacking or perceived to be lacking are illustrated in Exhibits 10 and 11. The main areas fall within the areas of greatest information need: foreign markets, export assistance and foreign regulations.

Of those respondents who identified information on foreign products as important to conduct exporting, 27% feel that such information is not currently available to them. Similarly, 25% who identified information on export assistance programs and 15% who identified foreign regulations and policies feel that such information is not currently available.

EXHIBIT 8. FREQUENCY THAT EXPORTERS RECEIVE INFORMATION FROM EXTERNAL AFFAIRS



**EXHIBIT 9. FREQUENCY THAT EXPORTERS RECEIVE OTHER
GOVERNMENT INFORMATION**

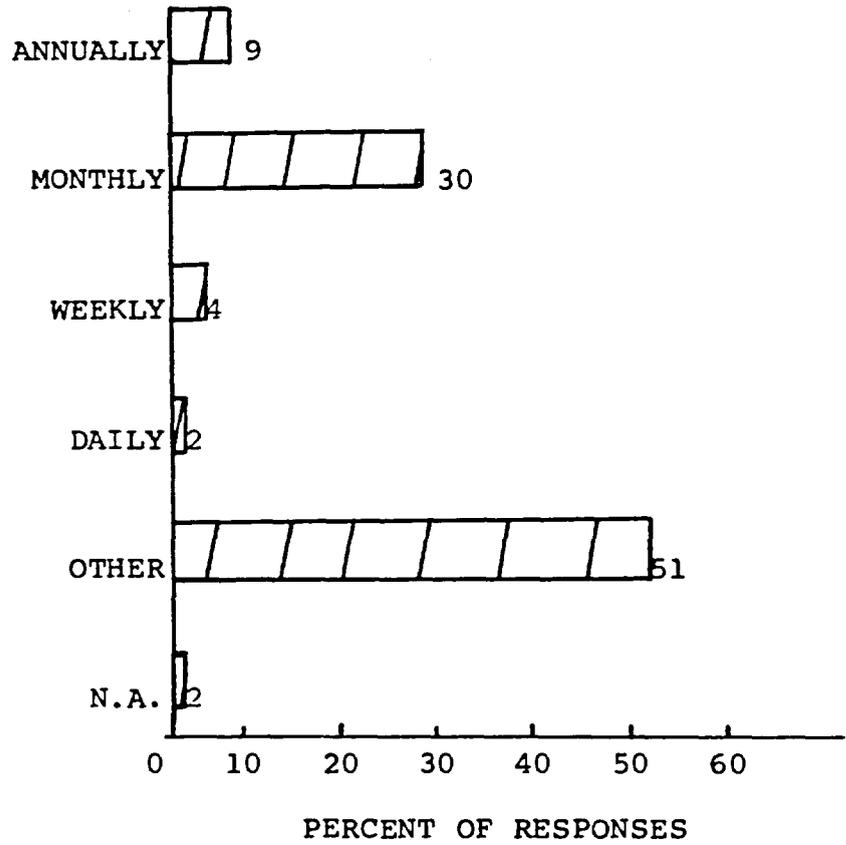


EXHIBIT 10. AREAS OF UNFULFILLED INFORMATION NEEDS

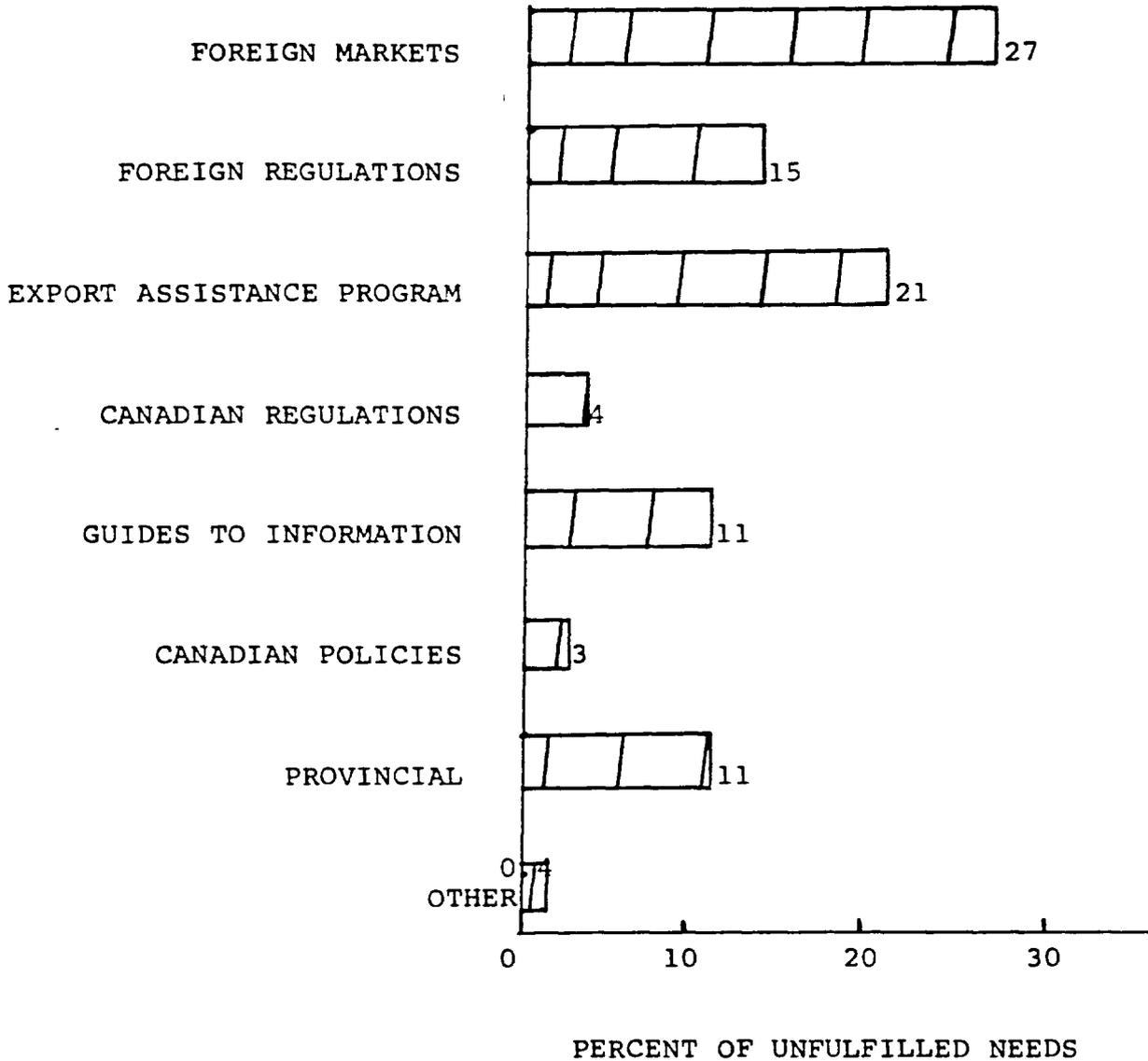


EXHIBIT 11. MAJOR TYPES OF INFORMATION REPORTED TO BE UNAVAILABLE

Information Needs and Type	Number of Responses	Percent of Total
Foreign Markets	75	27.1
. Market Opportunities	36	13.0
. Information on market size, demand, etc.	13	4.7
. Industry specific country information	7	2.5
. Job Opportunities	4	1.4
Export Assistance Programs and Services	59	21.3
. General information on programs available	31	11.2
. Information on financial assistance	19	6.9
Foreign Regulations and Policies	42	15.2
Tariffs and Restrictions	28	10.1
Legal Questions	<u>9</u>	<u>3.2</u>
TOTAL	277	100

* Based on types of information identified as unavailable by survey respondents.

3.0 IS DEA MEETING THE INFORMATION NEEDS OF OTHER CANADIAN CLIENT GROUPS?

3.1 Surveys of Other Client Groups: An Overview

This section describes the surveys of other client groups who use DEA's economic and commercial information services. These groups include representatives from academia, the media, trade associations and provincial trade promotion agencies, as well as staff in DEA posts and foreign clients.

The domestic survey sample consisted of those who were expected to be users of External Affairs economic and commercial communications services. Lists of individuals/organizations for each client group were supplied by External Affairs. The sample size drawn from these lists for each client group are as follows:

- Academic - 21 Canadian researchers from academic and research institutions

- Media - 10 users of the Press Office (including radio, television and print)
 - 10 reporters/editors/publishers of export publications

- Trade Associations - 10 trade associations: four representing large umbrella organizations (e.g., exporters, manufacturers or small businesses) and six representing specific sectors covered in the export business survey (e.g., fisheries, consulting, agriculture)

Provincial - five representing counterpart agencies
Trade from each region (B.C., Prairies,
Promotion Ontario, Quebec, Atlantic) involved in
Agencies Export Trade Month; five representing
agencies involved in trade from each
region.

A different interview guide was designed for each client group (see Appendix D). Unlike the business questionnaire, these were guides designed to structure in-depth conversations with the respondents and to facilitate a relatively free flowing conversation that at the same time would cover all the necessary points. Thus, the guides contained questions that were more open-ended than those in the business survey, as well as opportunities for probing relevant issues.

Personal interviews were conducted with respondents in Ottawa, Toronto and Montreal. Interviews with respondents in other locations were conducted by telephone.

As described earlier, the survey of posts and foreign clients proceeded in two stages:

- . A Post Survey -- in the 26 missions selected, a questionnaire was distributed to one project officer in each program with commercial or economic characteristics; and

- A Foreign Client Survey -- the program officers involved in the post survey were asked to jointly identify 20 clients of each mission representing the largest client groups.

Responses were received from 15 missions and from a further 53 foreign clients (from seven missions).

3.2 Information Needs of Academics

Of the twenty-one interviews conducted, 17 were with university academics (in Economics, Business Administration, Public Administration and International Studies) and four with research institutes involved in public, economic or trade policy matters.

Approximately 60% of the work that respondents do is in topic areas of relevance to External Affairs. The area of most interest is multilateral and bilateral negotiations: 19 respondents stated this interest. The next highest area of interest is in foreign policy issues related to trade and investment (15 respondents).

On average, approximately 50 percent of respondents indicated that their time is spent on research activities, 34 percent on teaching, 19 percent on consulting and 13 percent on administration.

The respondents have a wide range of interests and identified 33 specific information needs. Given the interest of respondents in negotiations and trade policy, it was not surprising that roughly half of the types of information needs that were identified related to either:

- . free trade and GATT negotiations (11 responses)
- . other Canadian foreign policy issues (7).

Other types of required information, mentioned infrequently, were specific to individual research interests.

The federal government is by far the most important source of information for academics. 75% of the responses concerning information needs identified the federal government as the source.

Respondents identified 34 titles or items they receive from either External Affairs or other federal sources. Fifteen of these were specific news items (e.g., press releases or Minister's statements) and five were personal communications with External Affairs staff. A variety of white papers, publications and reports was also mentioned.

Approximately 60% of the information that academics receive from DEA is used for research purposes, 15% for teaching and the rest for miscellaneous uses.

Of the ways in which these academics receive DEA information, printed methods occur most frequently (26), followed by personal communication (10) and seminars/workshops (3). Most respondents were satisfied with the way they currently receive information, particularly with personal communication. The effectiveness of printed presentations was considered more variable, with reports considered most effective and press releases and general material considered least effective.

Fifteen of the respondents offered suggestions on how to improve DEA services. Most of these were related to either improvements in delivery (e.g., better accessing system or directories) or to improvements in content (e.g., more specific data).

Finally, respondents were asked about duplication and gaps in information. Only six of the 21 respondents felt duplication problems exist, but over half suggested that External Affairs should provide more trade-related information, particularly "hard" data.

3.3 Information Needs of the Media

Export publication media are generally involved in the publication of either technical magazines and journals or trade industry magazines and journals. Most of these publications are targetted at a specific audience or sector and are national in scope. These media representatives are primarily interested in information related to promotion of Canadian trade and investment overseas, although almost half are also interested in foreign policy issues related to trade and investment.

In general, the export publication media want sector-specific information on all topics related to their readership's trade and foreign investment activities. This includes financial assistance available (e.g., PEMD), foreign market conditions, and prevailing policies and regulations in Canada and abroad.

The main source of information on these topics is External Affairs: 65% of the responses concerning information needs identified DEA as the source. Other federal departments (e.g., Agriculture, Fisheries, DRIE) are also used extensively (approximately 25 percent).

Although their deadlines are not as strict as the daily press, timeliness is still important. One third receive about one-third of the information obtained from External Affairs through personal communication. The rest comes in a variety of printed forms (e.g. press releases, pamphlets, reports, newsletters, etc.). Generally, information obtained through personal communication was considered to be best in terms of content, quality and effectiveness of delivery.

Press Office media are involved in producing the daily news for widespread public dissemination by the press, radio, or television. Some of these respondents also prepare feature articles and in-depth analyses for documentaries, magazines or press supplements. They are primarily interested in current items that are newsworthy -- i.e., free trade negotiations, GATT, ministerial announcements or ambassador appointments. Press Office media require current information on topical issues of interest to the public. Recently, public interest in news related to External Affairs has been primarily focused on free trade and foreign policy.

The Press Office at External Affairs is the primary source of news stories related to trade and foreign policy for these media clients. Private sources are also used by some of the respondents to obtain verification and additional information.

Most of their information is received from External Affairs through personal communication, either by telephone or face-to-face. In addition, press releases, backgrounders and briefings are used. Briefings by officials are considered very useful and more of these are desired. Timeliness is extremely important to the daily media due to their tight deadlines. Also, accurate information with explanatory notes to enable the reporter to understand the issues is required.

Respondents expressed some frustration with the lack of access to authoritative sources. The media would prefer to deal directly with the authoritative source of information.

3.4 Information Needs of Trade Associations

Interviews were held with senior officials of nine trade associations. The trade associations selected represent most of the major sectors covered by the export business survey, along with several general umbrella organizations. Most of the associations are national in scope (7 of 9) and many have affiliated regional associations across Canada. Two of the umbrella associations are affiliated with organizations in the United States or Europe.

The main area of interest to these associations is the promotion of Canadian trade and investment abroad. Of secondary interest are foreign policy issues related to trade, and multilateral or bilateral negotiations.

Respondents identified 16 specific types of information they use from External Affairs. Most relate to foreign markets, export assistance, or Canadian policies and regulations. Some general information relevant to exporters (i.e., Canadexport) and information related to Export Trade Month were also mentioned.

This information is received in various forms. About 70 percent is printed (e.g., press releases, newsletters, magazines, etc.) and the balance is obtained through personal communications.

The information is used mainly to inform association memberships. It is either disseminated directly to the membership or used as material for association magazines and newsletters.

Personal communication was considered best both in terms of the quality of information received and the timeliness of presentation. Press releases were also considered to be valuable, but some respondents expressed concern about timeliness. Associations would like to receive advance notice of press releases important to them, so that they are prepared to answer enquiries from the press. The current practice of holding press releases and mailing them in bulk can result in material arriving weeks later.

The majority of trade associations officials interviewed note that duplication/redundancy exist in some of the information produced by External Affairs. The two main areas of redundancy, according to the respondents, are within External Affairs itself (i.e., different branches providing similar services), and between External Affairs and other federal departments.

In summary, trade association representatives want directories of information available through DEA and better access to market information.

3.5 Information Needs of Provincial Trade Promotion Agencies

Ten interviews were conducted with officials of provincial trade agencies across Canada, two interviews representing each of the five main geographic regions.

The mandate of these agencies varies. Four are charged with assisting provincial companies in overseas markets, three focus on trade promotion, two have the broad objective of increasing provincial exports and one is responsible for promoting foreign investment in the province.

Although mandates differ somewhat, most agencies are involved in the same type of activities. All the agencies sponsor or support trade shows and missions, eight of them provide funding to assist exporters and eight also prepare promotional materials for foreign markets. Seven of the agencies operate export trade offices overseas.

Respondents were asked to identify and indicate the importance of the information from External Affairs used by their agency. Trade Commissioner services were considered very important by eight respondents. Five respondents also considered the following to be important:

- . Information on Canadian import/export tariffs and regulations;
- . Information on foreign tariffs and regulations;
- . Information on funding programs; and
- . Regular publications on international trade matters for Canadian exporters.

The respondents also identified 13 specific items they receive from External Affairs, five of which were considered to have very useful information. Only two of these, however, were considered to be presented very effectively -- PEMD Guidelines and Canada Reports..

Most respondents (7 out of 10) feel that more collaboration in trade promotion activities is needed between their agency and External Affairs. Further, better liaison between DRIE, the provinces and External Affairs is needed. Specifically, more coordination was suggested in the planning and production of general information and trade show promotional material. However, only three of the respondents identified duplication problems between communications produced by their agency and External Affairs.

Finally, respondents were asked what communications role was appropriate for External Affairs to play in the promotion of Canadian trade. Most provincial agencies would like External Affairs should to take the lead in all areas including:

- . Producing promotional materials for specific sectors;
- . Preparing materials for trade shows, missions and other events; and
- . Preparing regular publications on international trade matters for Canadian exporters.

3.6 Information Needs of Foreign Clients

Evidence from the post and foreign client surveys suggests that there are no overall strategies, research or

specific targeting of foreign audiences. Policy guidelines do not exist to organize various independent projects. The Communications and Culture Branch had not provided such a coordinating role, partly because its highest priority was domestic audiences in its first year of operation. As well, the process to enable this coordination was not in place.

Evidence from the foreign client and departmental staff surveys indicates that clients abroad are not receiving sufficient information about Canada, particularly with respect to Canada's political, social and economic environment. However, the sample was small and the replies varied in quality.

With respect to promoting foreign investment, foreign client and post survey results suggest that the demands of foreign investors for investment opportunity information from Canada exceeds the supply.

In the promotion of Canadian goods and services and publicizing Canadian participation in trade fairs and missions, again the results of the foreign client survey must be interpreted with caution due to the small sample size. However, the findings suggest that:

- ° Foreign audiences prefer to receive information in printed form and on a regular basis. This information must be of high quality, sufficiently specific to their needs and up-to-date;
- ° Overall, DEA responds well to these needs, but needs to customize tools more by geographic area;

- ° Canada seems to compare very well with the United States, but lags behind some of its competition in continental Europe, the Far East, Arab countries of the Middle East and parts of Latin America.

Production of communications tools by geographic branches is currently hampered by confusion about the role of the Communications and Culture Branch in the planning, budgeting, production, and delivery of communications tools. This has hindered the timely up-dating of material urgently needed by missions abroad.

"Feast and famine" situations with respect to communications tools occur in posts. That is, some posts have too many unwanted publications and others, not enough to offer clients. Mission staff note that this probably happens because they are not consulted sufficiently with respect to their needs for communications tools. In addition, missions noted that they are often unaware of what communications tools are available.

Translation into the language of the target audience is an issue in some posts, particularly where English or French is not common as a second language (e.g., parts of the Middle-East and Latin-America).

Currently, the promotional material prepared by DEA is only rarely cost-shared or jointly produced with the Canadian private sector. One example of a cost-shared project is the "Canadian Defence Products Guide" which is reported to be much sought after by foreign importers because of its high quality.

**4.0 ARE COMMERCIAL AND ECONOMIC COMMUNICATIONS TOOLS
SUPPORTING DEPARTMENTAL PROGRAM OBJECTIVES?**

4.1 Awareness of External Affairs Programs and Services

A series of questions was asked to determine the extent to which business survey respondents were aware of various communication and information services. The results provide an indication of how effectively exporters are being informed about External Affairs services. This, in turn, reflects how communications activities are supporting departmental trade and economic objectives.

- ° 68% of respondents were aware of External Affairs programs to assist exporters (i.e., PEMD) and had learned of them mainly through External Affairs (print materials or representatives), provincial government agency materials or representatives (30%), or DRIE (22%).

- ° Only 32% of respondents were aware of trade promotional materials produced by External Affairs that are aimed directly at buyers in foreign markets. Of those aware, 60% described industry specific material and 55% considered these materials to be effective or very effective in promoting Canadian products abroad.

- ° 60% of respondents were aware of services offered to exporters in Canada. For these respondents, the most familiar services were:
 - Trade Commissioner visits/seminars (69%)
 - Information on export/import policies and regulations (44%)

- preparation and distribution of promotional materials (38%)
- market intelligence (36%)
- Export Trade Month (35%)
- preparation and distribution of newsletters (34%).

° 69% of respondents were aware of Trade Commissioner services offered at Canadian missions abroad. Again, knowledge of the range of services available varied. Respondents were most familiar with:

- identification of contacts and arranging meetings (67%)
- market intelligence (55%)
- provision of facilities and related support services for meeting prospective buyers (55%)
- identification of market opportunities (53%)
- promotion of Canadian products (50%)

As shown in Exhibit 13, awareness of DEA's programs and services varies by sector. Except for the wood products sector, over 60% of all the industrial and service sector respondents are familiar with DEA programs to assist exporters. Considerably fewer sectors report awareness of services which External Affairs offers to exporters in Canada: the software and forestry sectors were significantly less aware than telecommunications/electronics, for example.

Most sectors were more familiar with services offered by Canadian Trade Commissioners at Canadian missions abroad than with export assistance programs with the telecommunications/electronics sector again considerably more aware than others.

EXHIBIT 13. AWARENESS OF DEA'S PROGRAMS AND SERVICES BY SECTOR

(% respondents)

<u>Sector</u>	<u>DEA's Programs (PEMD/PPP)*</u>	<u>DEA's Services to Exporters in Canada</u>	<u>DEA's Services to Exporters Abroad</u>	<u>DEA Information Aimed at Foreigners</u>
Consulting	65	58	62	16
Software	71	35	60	31
Fisheries	70	66	72	36
Mining	69	67	65	31
Forestry	63	43	74	26
Wood Products	51	49	61	22
Oil/Gas	62	62	66	36
Telecommunication/Electronics	81	74	80	43
Food Products	66	64	64	32
ALL SECTORS	68	60	68	32

* PEMD - Program for Export Market Development
 PPP - Promotional Projects Program (Fairs & Missions)

Finally, with the exception of the telecommunications/electronics sector (43%), fewer than 40% of the other sector respondents were familiar with trade promotional materials produced by External Affairs aimed directly at buyers in foreign markets, varying from 16% for consulting to 36% for fisheries and oil/gas.

The survey of Canadian exporters suggests varied understanding and support for DEA's international trade mandate. Indeed, over half (57%) of the respondents feel that DEA should play a support role to other government departments or the private sector in producing promotional materials for specific industrial sectors and in preparing trade show materials (50%). External Affairs was, however, viewed as the agency best suited for taking the lead role in producing regular bulletins and newsletters on international trade matters for the export community (43%).

4.2 Are There Cost-Effective Alternatives to the Current Communications Process?

Business survey respondents were asked what types of information they would be willing to pay for or information they receive (or would like to receive) from External Affairs or other federal sources. Exhibit 14 below presents the results by information category. As shown, the types of information that respondents are most willing to pay for correspond to the two most important information needs: foreign markets and foreign regulations.

Overall, 64% of respondents are willing to pay for some of the information that they consider important.

**EXHIBIT 14: RESPONDENTS' WILLINGNESS TO PAY FOR INFORMATION
FROM EXTERNAL AFFAIRS AND OTHER FEDERAL SOURCES**

**% of Information Considered Important That
Respondents Would Be Willing to Pay For**

<u>Types of Information</u>	<u>DEA Material</u>	<u>Other Federal Government Material</u>	<u>DEA Plus Other Fed</u>
Cdn. Gov't Policies	31	53	41
Cdn. Gov't Regulations	35	51	43
Foreign Gov't Regulations	46	59	50
Foreign Markets	55	66	59
Export Assistance Programs	30	44	37

Interviews with DEA staff and representatives of other government departments indicate that a more systematic approach to communications both within the Department and outside would enhance effectiveness in achieving departmental goals. For example, more precise audience targetting was noted as an area that would result in greater cost effectiveness.

Further, interviews with other government departments suggest a lack of coordination between agencies in the trade promotion area. The lack of coordination has led not so much to duplication and conflict in providing information to domestic clients (although this has occurred between DEA and DRIE), but to missed opportunities for timely and effective export promotion efforts. Specifically, the opinions offered from these interviews suggest that communications with Canadian exporters should proceed on an inter-agency basis with joint production. Ideally, the coordination should include not only federal but provincial trade promotion departments, with DEA taking the lead role in coordination in cooperation with these others. Communications should inform the target audience about how to access information and about trade promotion events.

With respect to communications with foreign audiences, promotion of Canadian products should be carried out jointly with Canadian exporters, subject to cost recovery and/or cost-sharing, with DEA coordinating the effort abroad. Promotion of foreign investment abroad, on the other hand, should be carried out on an inter-agency basis under the leadership of DEA, Investment Development Group. The message would be determined centrally, but decisions with respect to delivery would rest largely with the posts abroad.

In summary, then, interviews with OGDs concerned with Canada's commercial and economic communications suggest that the greatest leverage from information services resources would be obtained if:

- ° Mandates of each agency are identified and trade promotion strategies are developed by sector and by country;

- ° Information aimed at domestic audiences related to industrial development is coordinated by DRIE and implemented by DRIE regional and provincial government field representatives;
- ° DEA would be responsible for developing export strategies for each foreign country, and for the generation of information on foreign markets, foreign policies and regulations and export assistance programs. DRIE would be responsible for coordinating the delivery of the message.
- ° National Revenue/Customs and Excise would be responsible for generating information on import and export controls to domestic audiences, while DEA would again have the responsibility for delivering the message domestically;
- ° DRIE would be responsible for taking the leadership in developing industry sector and Canadian regional strategies, and for transmitting this information to domestic audiences in consultation with DEA;
- ° Investment Canada in conjunction with DEA would have the responsibility for developing the message about these industrial strategies to foreign audiences, while DEA would have the responsibility for delivering the message;
- ° Information aimed at foreign audiences would be coordinated by DEA, HQ and delivered by DEA trade and investment representatives in posts abroad;

Interviews with DEA HQ personnel suggest that Geographic Branches and TFB are confused about BCB's role and the services it has to offer. However, there is a broad agreement over what the branch roles should be:

- BCB has overall functional responsibility for communications services (strategic planning and coordination, technical expertise and quality control, consistency of message and advice on resource allocation within the communications services envelope and provision of advice on request and to provide contract management) as well as responsibility for communications activities and programs assigned to BCB by Deputies and Ministers.
- Geographic branches have responsibility for delivery of communications tools/messages to audiences and clients and for providing input to BCB for projects to be implemented by BCB.
- Trade divisions would be responsible for developing appropriate trade communications activities, for interface with posts (Trade and Industrial Development Program) concerning trade communications activities, while Program Divisions will deal with the Public Affairs Program abroad for other communications activities.

In addition to the need to better define the roles of branches, the main problems with the operation of the matrix organization are as follows:

- Lack of systematic project planning and tracking to keep all branches informed of communications plans and progress against those plans;
- lack of a control process for ensuring quality and consistency among communications projects;
- lack of a properly resourced trade communications service unit in BCB.

5.0 SUMMARY AND CONCLUSIONS

5.1 Evaluation Issues and Constraints

This evaluation of DEA's commercial and economic communications was undertaken for two reasons:

- ° The need for the review arose from the work of the Ministerial Task Force on Program Review, specifically the Services and Subsidies to Business Sub-team; and
- ° This is a priority area in DEA: the Communications and Culture Branch requires assistance to build a trade emphasis into Branch activities.

The Evaluation and Audit Committee approved the following issues for the study:

- ° What economic and commercial information should be flowing to the public, business, institutions, and governments from DEA, in Canada and abroad, i.e., what are the clients' and audiences' information needs?
- ° Is DEA effective in meeting these needs?
- ° Are DEA's communications tools supporting Departmental program objectives?
- ° Are there cost-effective alternatives to current communications tools and existing delivery channels?

The evaluation faced several difficulties: it began only shortly after a major reorganization and upgrading of the communications function; the communications program had no clearly defined objectives against which to assess effectiveness; and there was no central record of communications projects and activity in the Department. Finally, the survey of selected missions and foreign clients yielded a low response rate.

Nevertheless, the findings discussed in the preceding chapters and summarized below do allow for conclusions related to the evaluation issues, primarily the first two. Ongoing development and monitoring of activities in the Communications and Culture Branch is required before the third and fourth issues can reasonably be addressed.

5.2 What are the Economic and Commercial Information Needs of Domestic and Foreign Audiences?

The survey of Canadian exporters found that overall, their most important information needs are understandably related to foreign markets, foreign regulations and policies, and export assistance programs. These information needs vary somewhat by sector, age of the firm and length of time exporting, but remain more constant across geographic regions and firms of different sizes.

The single most frequent type of information needed by the exporters surveyed related to foreign market opportunities, followed by information on foreign government tariffs and restrictions.

Printed material is the preferred medium, but must be properly targeted -- i.e. specific to their needs, up-to-date and timely.

The results of the surveys of other Canadian audiences were also predictable:

- Academics expressed interest in information on free trade and GATT negotiations, along with other Canadian foreign policy issues;
- The export publication media are primarily interested in information related to promotion of Canadian trade and investment overseas (e.g. financial assistance available), as well as foreign policy issues related to trade and investment;
- Press Office media require current information on topical issues of interest to the public (e.g., free trade);
- Trade associations are largely interested in information on the promotion of Canadian trade and investment abroad, as well as foreign policy issues related to trade and bilateral/multilateral negotiations; and
- Provincial trade promotion agencies most frequently reported that Trade Commissioner services were important, as well as information on import/export tariffs, funding programs and regular publications on international trade matters.

Evidence from the foreign client and post surveys indicates that clients abroad require general information on Canada's political, social and economic environment, as well as more specific information on investment opportunities and Canadian goods and services. As with Canadian exporters, this information must be of high quality, sufficiently specific to their needs and up-to-date.

In summary, the surveys carried out for this study were useful in identifying the types of commercial and economic communications considered important by DEA's domestic and foreign clients. The particular emphasis and related types of publications and other services varies with the type of audience and export sector.

5.3 Is DEA Effective in Meeting These Needs?

For the types of information considered most important by exporters, the most frequent source is DEA (24%). Together, federal government sources provide 44% of all information. However, DEA was not the most frequently identified source for two of the three most important information needs, foreign markets and foreign government regulations. The areas where DEA appears to be most effective in meeting exporters' information needs are Canadian government policies and regulations, Canadian export permits, export assistance programs, and foreign market opportunities.

Further, 24% of the information they would like to receive is perceived to be unavailable.

In 1985/86, over half of DEA's expenditures on communications aimed at Canadian exporters catered to their most important information need (i.e., foreign market opportunities). However, only small amounts were spent on communications aimed at addressing their other high priorities: i.e. foreign government regulations/policies and export assistance programs.

In 1985/86, a high proportion of information from DEA was distributed in printed form -- the preferred medium of exporters.

With respect to other domestic groups, most are generally satisfied with the information received from DEA, but expressed some concerns with respect to access, coordination and delivery.

- . The media's priority is timeliness.
- . Difficulty of access to knowledgeable people in DEA is an issue with both the media and academics.
- . Trade associations are concerned about duplication and redundancy of information in certain areas. They also tend to see DEA's magazines and periodicals providing information that is too general to be useful.
- . Provincial governments would like to see more coordination between DEA, DRIE and themselves.

- . Trade associations, academics and provinces expressed their need for lists of information that DEA produces.

The survey of missions and foreign audiences indicated that:

- . Foreign audiences are similar to Canadian exporters in that they prefer to receive their information in printed form, but once again it must be properly targetted.
- . Other countries are increasingly aggressive and competitive in their trade communications campaigns.
- . Missions are confused about how to access DEA's communications services in DEA Headquarters. They often do not know what services are available, and how to go about producing and expressing their needs for communications tools. Sometimes they are inundated with irrelevant or out-of-date material from HQ. At other times, there are shortages of printed material that is in demand.

In summary, the findings from surveys of DEA's communications audiences suggest that although some information considered important is being delivered, overall the Department could be more effective in meeting their information needs.

5.4 Are DEA's Communications Tools Supporting Departmental Program Objectives?

Only a third of Canadian exporters are familiar with DEA's trade promotion material aimed on their behalf at foreign audiences. Of these, more than half thought that it was effective.

Approximately two-thirds of Canadian exporters are aware of or familiar with DEA's programs and services to assist exporters, however, only a minority knew precisely what was offered.

Almost 70% of respondents were aware of Trade Commissioner services offered at Canadian missions abroad, although knowledge of the range of services varied.

More exporters thought that DEA should play a support rather than lead role in producing promotional materials for specific industrial sectors, and in preparing trade show materials.

In summary, the survey findings suggest that DEA's commercial and economic communications have been effective in creating awareness in the majority of exporters surveyed of the Department's programs and services. However, the evaluation does not provide conclusive evidence on the longer term effectiveness of trade communications in supporting the Department's trade, investment and other economic objectives. The concurrent reorganization of the function and the absence of any clear program objectives and communications strategy logically precluded any comprehensive evaluation of this issue.

5.5 Are there Cost-Effective Alternatives to Current Communications Tools and Existing Delivery Channels?

Interviews with other government departments and DEA HQ personnel suggest coordination and focus to be concerns.

Most OGD officials interviewed would like to see DEA exercise more leadership in the international trade promotion area. DRIE regional offices experience similar problems to DEA's missions with respect to being supplied with DEA's printed material.

DEA HQ personnel reflect some confusion about BCB's role and the services it has to offer. Better project planning and tracking, quality control and trade communications services is required.

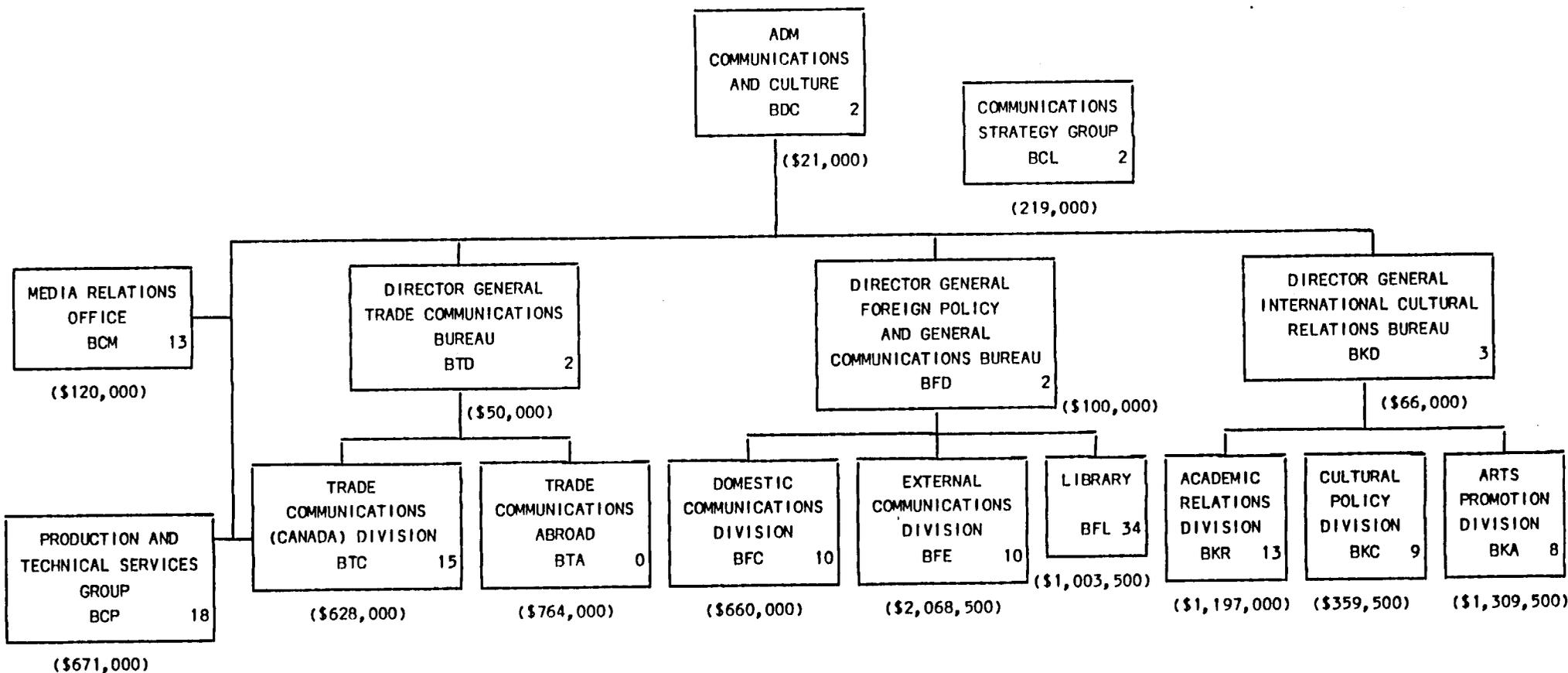
The shortcomings identified above lead to the conclusion that there is considerable opportunity to improve the cost-effectiveness of commercial and economic communications. Inter- and intra-departmental collaboration, cost-sharing and cost-recovery are areas that are not being fully exploited.

APPENDIX A

COMMUNICATIONS AND CULTURE BRANCH:
ORGANIZATION AND RESOURCES (1987-88)

SUMMARY

	<u>PY's</u>	<u>\$</u>
ADM Communications and culture (BCB)	2	21,000
Communications Strategy Group (BCL)	4	219,000
Media Relations Office (BCM)	13	120,000
Production & Technical Services Group (BCP)	18	671,000
Foreign Policy and General Communications Bureau (BFD)	56	3,832,000
International Culture Relations Bureau (BKD)	33	2,932,000
Trade Communications Bureau (BTD)	17	1,442,000
TOTAL - COMMUNICATIONS AND CULTURE BRANCH	143	9,237,000



APPENDIX B

TRADE COMMUNICATIONS PROGRAM EVALUATION
COMPONENT PROFILE

TRADE COMMUNICATIONS

Program Evaluation Component Profile

PLANNING ELEMENTS

- . Communications and Culture
- . Bilateral Relations and Operations

PART A: BACKGROUND

1. Mandate

To provide trade communications services.

Legal Basis: External Affairs Act, 1983.

2. Objectives

- . To develop integrated communications programs aimed at foreign and domestic audiences in support of government and Ministerial trade promotion and trade policy priorities and initiatives.
- . To increase awareness of the role of DEA in promoting export trade.
- . To increase public and business awareness of the importance of trade.
- . To coordinate the trade communications activities of the missions abroad.
- . To enhance the communications expertise of trade officers abroad.
- . To provide exporters with information and practical advice on the international trade policies and programs of the Department.

3. Description

This sub-activity is responsible for developing and coordinating the delivery of systematic communications programs and initiatives in Canada and abroad to facilitate the achievement of Canada's commercial and

economic objectives, to develop knowledge and understanding of them among Canadians and to inform Canadians about the Department's role, services and programs as they relate to trade.

4. Clientele

The population served by DEA's economic and commercial communications services consists of about 30,000 potential or actual Canadian exporters, dozens of trade associations in Canada, the Canadian media and educational institutions as well as the general public in Canada. Foreign audiences are primarily importers, investors, tourists and business immigrants plus intermediary organizations and institutions including the media.

5. Estimates Program

This program is funded under the Canadian Interests Abroad Program.

6. Component Resources

Economic and commercial communications activities are not only carried out within BCB, and in the public affairs functions of the geographic branches and in missions abroad, but also in economic policy, trade and investment sections of TFB, EFB, the geographic branches and missions abroad.

Resources for the public affairs functions in BCB, geographic branches, and missions abroad which are connected with the provision of economic and commercial information are as follows for 1986/87 and 1987/88:-

TABLE 1 - COMPONENT RESOURCES

	<u>Forecast 1986/87</u>		<u>Estimates 1987/88</u>	
	<u>\$</u>	<u>PY</u>	<u>\$</u>	<u>PY</u>
Trade Communications (BTD)	693,000	15	751,000	17
Foreign Policy Communications (BFD)	1,075,000	22	1,403,000	22
Media Relations Office (BCM)				
Production and Technical Services (BCP)				
UGB				
PGB				
LGB				
GGB				
RGB				

PART B: ELEMENTS AND STRUCTURE

1. Component Elements

(i) Activities

The basic activities undertaken in this evaluation component include:

- . Planning for a communications campaign, which involves selection of target audiences in relation to each objective or issue; development of a communications strategy; development of an implementation/delivery vehicle; and evaluation of the results or feedback.
- . Preparation of messages (see Part A, Section 3 for content).
- . Conception and production of media or communications instruments to convey these messages. The three main categories of media are printed material, audio-visual, and promotional aids.
- . Distribution/delivery of media can be done in the following ways:
 - Directed and unsolicited, e.g. mail.
 - Undirected and unsolicited, e.g. advertising on radio, T.V., distribution in public places.
 - Solicited, i.e., where the audience chooses to have the information, for instance by subscription.
 - Distribution in the context of organized events.
- . Preparation of organized events ranging from one-on-one meetings and telephone calls to lectures, speeches, briefings, workshops and seminars, visits, ministerial appearances, and special events.

For the purpose of this profile, organized events do not include the trade fairs, missions and visits funded under the Fairs and Missions Program. These are dealt with

under the Fairs and Mission/PEMD component profile. One-on-one meetings, telephone calls, and telegrams are also not included.

- . Production of press releases, press conferences, press kits, briefings, backgrounders etc. for the press and public and commercial media.

(ii) Outputs

The outputs of the economic and commercial communications services component are listed below:

- . A plan for each communications project.
- . Communications products or instruments in the form of:
 - Printed material
 - Audio/visuals
 - Promotional aids (e.g., photo exhibits, buttons, pins, shopping bags, etc.)
- . Organized events (see above under Activities).
- . Press releases, press conferences, press kits, briefings, backgrounders etc.

(iii) Expected Impacts and Effects

The intended impacts and effects include:

- . Increased awareness in the Canadian public and business community of the importance of exports and exporting to Canada's economy.
- . Increased awareness in the Canadian public of Canada's economic and trade objectives.
- . Enhanced image of DEA as Canada's Trade Department, and increased awareness by Canadians of its role, and the services and programs it has to offer in the trade area.
- . Enhanced image of Canada in the mind of foreigners as a modern and advanced

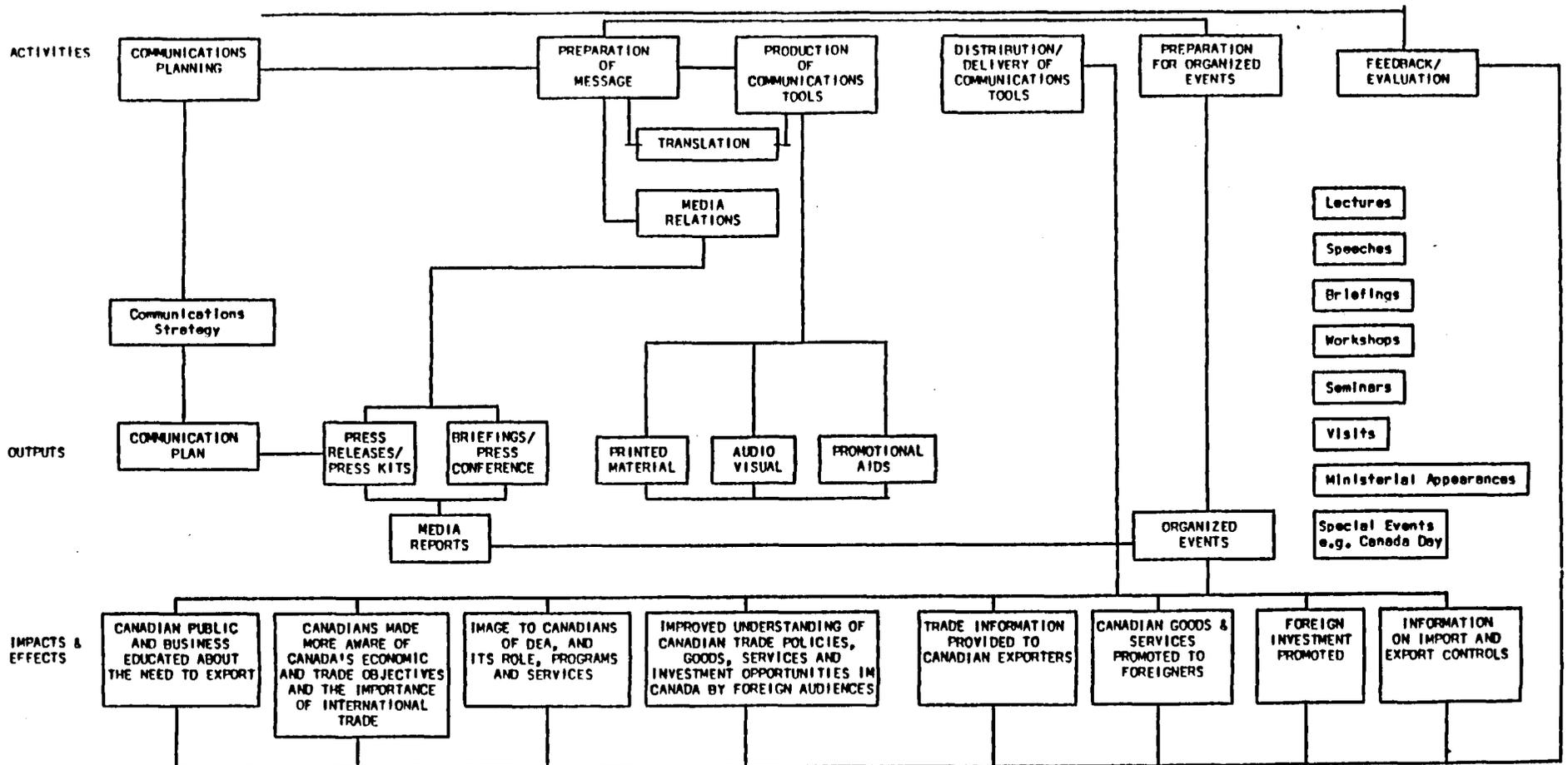
industrial state which has high productivity and a good business and investment environment.

- . Added effectiveness of the Trade Commissioner Service in providing information on:
 - foreign markets, trade opportunities and contacts to potential and actual Canadian exporters, and
 - Canadian goods and services to foreign importers and government procurement agencies.
- . Enhanced effectiveness of the Fairs and Missions Program, where a variety of communications media or instruments are used to convey economic and commercial information to domestic and foreign audiences.
- . Added effectiveness of the Investment Development Program.
- . Enhanced awareness by Canadians of export and import controls, and other economic policies and regulations which affect Canadian exporters and importers.

2. Component Logic Model

Exhibit 1 presents the logic model linking the program component elements discussed above.

TRADE COMMUNICATIONS: PROGRAM LOGIC MODEL



APPENDIX C

SUMMARY OF DEA EXPENDITURES
ON COMMERCIAL AND ECONOMIC COMMUNICATIONS
ACTIVITIES (1985-86)

	<u>\$(million)</u>	<u>Number of Items *</u>
<u>Expenditures By Major Type of Communication Tool</u>		
Printed Material	2.92	367
Media relations	0.09	111
Audio-visual	0.84	65
Promotional material (mainly related to fairs and missions)	0.86	120
Organized events (separate from fairs and missions)	1.62	421
Advertising	0.70	73
Unspecified allocation to Investment Canada	3.78	1
	<hr/>	<hr/>
TOTAL	10.81	1,158

Expenditures In Relation to Intended Results

Export awareness	0.321	3
Trade information to Canadian exporters	1.048	312
Awareness of Canada's economic and trade objectives	0.058	9
Image of DEA, its role, programs and services	0.033	65
Image of Canada to foreigners	1.354	196
Foreign investment promotion	4.654**	75
Promotion of Canadian goods and services	2.780	374
Awareness of Canada's participation in organized events	0.556	111
Awareness of import and export controls	0	14
	<hr/>	<hr/>
TOTAL	10.660	1,158

	<u>\$(million)</u>	<u>Number of Items *</u>
<u>Expenditures By DEA Branches</u>		
UGB	1.304	343
RGB	1.732	208
PGB	0.264	63
LGB	0.170	43
GGB	0.273	156
TFB	5.554**	198
EFB	0.001	75
BCB (SCS and SCI)	1.493***	72
	<hr/>	<hr/>
	10.791	1,158

* Number of items is as reported - some items are highly aggregated (e.g., contribution to Investment Canada and Export Awareness).

** Includes a financial contribution of \$3.775 million to Investment Canada.

*** Excludes World Exhibitions.

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TABLE 1: KEY WORDS TO BE USED IN ANSWERING QUESTIONNAIRE

<u>MESSAGE</u>	<u>AUDIENCE</u>	<u>MEDIUM</u>	<u>FREQUENCY</u>	<u>DISTRIBUTION</u>	<u>COST-SHARED WITH</u>
i) Economic and political or policy information about Canada	Public Government	Radio Television Film Video	Random and/or one of a kind	Direct to privately owned consoles, houses or to people	Private Sector
ii) Canadian federal and provincial government regulations	Special Interest Groups (including Trade Assoc.)	Telecommunications: Telex Facsimile Computer screen/print-out	Annual	Direct by subscription	Provincial Governments
iii) Investment opportunities in Canada		Telephone	Semiannual/quarterly	Indirect in the context of organized events	Other Government Departments
iv) Quality of Canadian products	Business	Printed material Physical presence: Briefings/lectures Missions, fairs	Monthly		
v) Lists of services in Canada and the posts available to foreign importers		Other (please specify)	Weekly	Indirect outside the context of organized events, e.g.	DEA-HQ
vi) Services in Canada available to foreign investors	Educational		Daily	Distribution in public buildings	Other
vii) Other (please specify)	Other		Instantaneous and constant	Other (please specify)	
			Other (please specify)		

TABLE A: KEY WORDS TO BE USED IN ANSWERING QUESTIONNAIRE

<u>MESSAGE</u>	<u>MEDIUM</u>	<u>FREQUENCY</u>	<u>METHOD OF DISTRIBUTION</u>
i) Facts and analyses about the general situation in Canada	Radio Television	Random and/or one of a kind	Unsolicited to privately owned consoles, houses or to people
ii) Canadian federal and provincial government regulations	Film Video	Annual	By subscription or request (paid for or otherwise)
iii) Investment opportunities in Canada	Telecommunications: Telex Facsimile	Semiannual/quarterly	By means of organized events (e.g. trade fairs, missions)
iv) Quality of Canadian products	Computer screen/print-out Telephone	Monthly	Other (please specify)
v) Lists of services in Canada and the posts available to foreign importers	Printed material (all types)	Weekly	
vi) Services in Canada available to foreign investors	Physical presence: Briefings/lectures Speeches Missions/Fairs	Daily Instantaneous and constant	
vii) Other (please specify)	Other (please specify)	Other (please specify)	

APPENDIX D

DATA COLLECTION INSTRUMENTS

SURVEY OF OGD's

Objectives:

The purpose of this survey is to find out:

- 1) What OGD's think the information needs of DEA's foreign and domestic audiences are.
- 2) Whether OGD's think that DEA is meeting those needs.
- 3) Whether DEA's communications services support Canada's policy objectives abroad and within Canada.
- 4) Whether there is a proper distribution of effort between DEA, OGD's and the provincial governments in communicating with foreign and domestic audiences.
- 5) What improvements could be made to make DEA's communications services more cost-effective.

Questions:

- 1) In your experience, what are the most important information needs of Canadian exporters? Is it information on (check as many as are relevant):

(Check)

- Canadian Govt. Policies ()
- Canadian Govt. Regulations ()
- Provincial Govt. Regulations and Policies ()
- Foreign Govt. Regulations and Policies ()
- Foreign Markets (incl. Opportunities and Intelligence) ()
- New Products and Technologies ()
- Export Assistance Programs:
 - a) Canadian Product Information ()
 - b) Other ()
- Guides to Information Available ()
- Other (specify) _____

2) Of the information needs you have identified above, could you be more specific in defining the type of information that Canadian exporters need, and in what form it should be presented and distributed to them?

- Canadian Govt. Policies

- Canadian Govt. Regulations (concerning trade activities)

- Provincial Govt. Regulations and Policies

- Foreign Govt. Regulations and Policies

- Foreign Markets

3) Is your department active in producing and distributing information related to satisfying any of the needs identified above?

4) In your opinion, is DEA meeting the needs identified above? Please specify where these needs are not being fully satisfied by DEA or another government department and why. Are weaknesses due to:

- Inadequate emphasis on certain types of message? ()
- Inadequate types of media used? (including numbers and frequency) ()
- Inadequate distributional arrangements? ()
- Other? (please specify)

5) Do you have any comments on DEA's communications aimed at foreign audiences?

In particular, do you have any impressions as to what foreign audiences' information needs are with respect to the following programs and whether these are being satisfied:

- Culture?
- Trade promotion?
- Tourism promotion?
- Foreign Investment promotion?
- Immigration?

6) If you are aware of weaknesses in DEA's communications approach vis-à-vis foreign audiences, would you please identify these and how improvements could be made?

Perceived Weaknesses	Where Improvements could be made

- 7) In your opinion, are DEA's communications services effectively supporting Canada's policy objectives abroad? If not, please specify why: _____

- 8) Is there sufficient publicity concerning government export promotion services and programs available to Canadians wishing to export? If not, please specify: _____

- 9) Are different federal and provincial government departments' communications aimed at domestic and foreign audience supporting each other, duplicating each other, or conflicting? If there is duplication and/or conflict, please specify:

- 10) How could DEA's communications be made more cost effective? Could there be more cost-sharing with other public and private agencies, and/or more cost-recovery?

GUIDE FOR POST COORDINATOR

Distribution of Questionnaires

Attached are two kinds of questionnaires, one to be filled in by mission personnel, the other to be completed by a selection of foreign clients. Both questionnaires are intended to address DEA's economic and commercial information services.

1) Mission Survey Questionnaire

This should be distributed to one project officer in each program which has commercial or economic characteristics, i.e. public affairs, trade promotion, foreign investment, tourism, immigration and culture. He/she may wish to consult with others in the program concerning certain questions when responding.

2) Client Survey

This survey is intended to provide us with a small, but representative view of our foreign clients needs, without attempting a full-blown expensive survey.

We are asking the program officers involved in the mission survey to work with the coordinator to identify an appropriate sample of, say, 20 "clients" of each mission, who would be sent the survey questionnaire to fill in.

We have supplied you with English questionnaires, should you feel it appropriate to send these out in your country's language, please arrange to have the translation done locally. We did try to get the documents translated here, but were unable because of the time constraints involved. Please charge translation to our responsibility centre (014-176-176-000-1813).

This survey will be shorter and more targeted than the mission survey, and should take 15 to 20 minutes to complete.

The clients to be surveyed should be chosen on the basis of the mission survey as follows:

- i) They should form part of the largest groups identified in the mission survey (e.g. the first two clients groups identified in each program listing).
- ii) In view of the commercial and economic focus of the information services review, the clients should be drawn from this area as much as possible.

POST SURVEY QUESTIONNAIRE

INTRODUCTION

- 1) DEA directs information at foreigners in order to:
 - Project a positive/confident image of Canada
 - Aid in promotion of Canada's products by providing
 - a) Information about Canadian suppliers and what they produce
 - b) Information about the quality of Canadian products
 - Aid in promotion of foreign investment in Canada by providing
 - a) Information about the economic and political environment of Canada
 - b) Information about government policies and regulations in Canada
 - c) Identifying promising areas for investing in Canada
- 2) The purpose of this survey is to find out:
 - Upon what basis the posts identify target audiences
 - What are the target audiences of the posts
 - What message is communicated to these audiences
 - What media are used to transmit these messages, including methods of distribution and frequency
 - Whether the target audiences are appropriate in the light of DEA's policies and strategies/work plans
 - Whether the content of the message is appropriate in the light of DEA's objectives/strategies
 - Whether the media used are effective in reaching and influencing the target audiences
 - How to improve the effectiveness of information services aimed at foreign audiences, i.e. are there cost effective alternatives, or does the information service need to be pared down

THE QUESTIONS

1) Questions concerning the character of the post and its immediate environment (some of these questions can be answered by the interviewer based on work plans, etc. They merely have to be verified).

- Name of post and location
- Number of person years in post, in post's TID section, in post's communications

2) Imports from Canada and import potential in host country

- Imports and Import Potential in Host Country:
 - a) Present pattern of imports - quantity and value
 - b) Present level of imports from Canada - quantity and value
 - c) Sectors/products where imports could grow
 - d) Tariffs and non-tariff protective measures in host country

3) Investors and Investor potential in host country

- Capital markets, investors, and investor behaviour in host country
 - a) What is the level of investment in Canada by investors based in this country?
 - b) Who invests in Canada? Is it a small or large number of investors in the host country?
 - c) How are these investors organized?
 - d) What is it that attracts these investors to invest in Canada?

Is it the political/economic environment in Canada? _____

Is it favourable returns on capital investment in Canada, due to interest rates and exchange rates? _____

Is it the lower levels of risks and uncertainties in Canada? _____

Is it due to favourable government regulations (taxes, incentives, etc.)? _____

Other (please specify) _____

e) Is there a pool of untapped capital in your host country looking for a promising place to invest?

Yes —
No —

If "yes", please specify _____

4) Identification of Communications items, audiences and messages

- What information promoting Canadian products did your post create and/or communicate/distribute to foreigners in 1985/86, i.e. what was the name of the communication item?
- What was the target audience for this information? (See table one for selection of key words)
- Upon what basis was this target audience selected? (Response to demands from H.Q., response to local events, initiative based on analysis by post of target audiences, or other)
- To what extent did you have control over this selection? (Complete, partial, none)
- For each communication item, please identify the general nature of the message being conveyed to the target audience: (See table 1 for key words)

Item Name	Target Audience	Basis of Selection	Control over Selection	General Nature of Message

5. Could you comment on the appropriateness of the target audiences for each communication item? (Appropriate, selection could be improved, inappropriate)

If you think the target audience is inappropriate or the selection of target audience could be improved please specify how a more appropriate target audience could be selected.

Item Name	Appropriateness of Target Audience	How a more appropriate target could be selected

6. Taking into account our Departmental and mission objectives, and the target audiences, is the content of the message, for each communication item you have identified, appropriate? (Yes, partially so, no)

If the content of the message is inappropriate or only partially appropriate would you please specify why you think this is in the case for each communication item?

Item Name	Content of Message Appropriate?	Why Message is Inappropriate or partially so?

7. In the case of each item, what medium was used? (See Table 1 for selection of key words). Is the medium used appropriate, i.e. effective in reaching and influencing the target audiences? Please indicate by item:

Item	Medium Used	Appropriate (yes, no, partially)	How could this medium be made more effective?

8. Where the medium can be separated from distribution of the medium, can anything useful be said about the effectiveness of the distributional arrangement?

Item	Actual Distributional Arrangement (see table 1 for key words)	Preferred (more effective) distributional arrangement

9. If relevant, are the numbers of the communication items produced appropriate? (Appropriate, partially so, inappropriate)

Item	Numbers Produced	Is the number appropriate?	Where improvements could be made (e.g. more, less)

10. What is the frequency of each communication item? (See Table 1 for key words) Is the frequency appropriate? How can improvements be made? (More frequent, less frequent)

Item Name	Frequency	Appropriate? (Yes, partially, no)	If only partially, appropriate or not appropriate, how can improvements be made?

11. Are there redundancies in the information provided to foreigners:

Yes _____
Some _____
No _____

Please identify why you think redundancies occur and from what source.

12. Are there possibilities for cost recovery from Canadian exporters, where government has undertaken trade promotion activities on their behalf in foreign markets?

13. Do you have any general opinion on how information to foreigners about Canada, its exporters and export products and investment opportunities can be improved?

Improvements with maintained or increased expenditures: _____

14. How do you establish priorities for expenditure of budgets and personnel time on communication services? For instance, in past reduction exercises, how have you met the requirement to reduce expenditures? _____

TABLE 1: KEY WORDS TO BE USED IN ANSWERING QUESTIONNAIRE

<u>MESSAGE</u>	<u>AUDIENCE</u>	<u>MEDIUM</u>	<u>FREQUENCY</u>	<u>DISTRIBUTION</u>	<u>COST-SHARED WITH</u>
i) Economic and political or policy information about Canada	Public	Radio	Random and/or one of a kind	Direct to privately owned consoles, houses or to people	Private Sector
ii) Canadian federal and provincial government regulations	Government	Television	Annual	Direct by subscription	Provincial Governments
iii) Investment opportunities in Canada	Special Interest Groups (including Trade Assoc.)	Film	Semiannual/quarterly	Indirect in the context of organized events	Other Government Departments
iv) Quality of Canadian products		Video	Monthly		
v) Lists of services in Canada and the posts available to foreign importers	Business	Telecommunications: Telex Facsimile Computer screen/print-out	Weekly	Indirect outside the context of organized events, e.g.	DEA-HQ
vi) Services in Canada available to foreign investors	Educational	Telephone	Daily		Other
vii) Other (please specify)	Other	Printed material Physical presence: Briefings/lectures Missions, fairs	Instantaneous and constant	Distribution in public buildings	
		Other (please specify)	Other (please specify)	Other (please specify)	

- 3) How could Canada be more effective in communicating with you?
(Please use the categories of answers in Annex 5 below.)

Annex 5

- Different type of message?
- Different use of media? (including frequency)
- Different methods of distribution?

4) How does Canada's information services compare with these?

5) What are other countries doing to communicate with you?

TABLE A: KEY WORDS TO BE USED IN ANSWERING QUESTIONNAIRE

<u>MESSAGE</u>	<u>MEDIUM</u>	<u>FREQUENCY</u>	<u>METHOD OF DISTRIBUTION</u>
i) Facts and analyses about the general situation in Canada	Radio	Random and/or one of a kind	Unsolicited to privately owned consoles, houses or to people
ii) Canadian federal and provincial government regulations	Television	Annual	By subscription or request (paid for or otherwise)
iii) Investment opportunities in Canada	Film	Semiannual/quarterly	By means of organized events (e.g. trade fairs, missions)
iv) Quality of Canadian products	Video	Monthly	Other (please specify)
v) Lists of services in Canada and the posts available to foreign importers	Telecommunications: Telex Facsimile Computer screen/print-out	Weekly	
vi) Services in Canada available to foreign investors	Telephone	Daily	
vii) Other (please specify)	Printed material (all types) Physical presence: Briefings/lectures Speeches Missions/Fairs	Instantaneous and constant	
	Other (please specify)	Other (please specify)	

Ottawa, Ontario
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To: Directors of Information/Communications Services, OGDs

Dear :

As you know, the Department of External Affairs is currently conducting a thorough evaluation of its communication services as these pertain to commercial and economic activities. These services include the distribution of a broad array of printed materials as well as specialized information services to facilitate trade. The recipients of these services include domestic and foreign audiences.

You will remember that last May we requested that you provide us with a list of your information activities. This information was linked to an inventory of all information activities undertaken in the commercial and economic area by our Department, which we are still assembling.

A second major part of the evaluation is to carry out questionnaire surveys of our Department's different client groups, e.g. Canadian businesses, trade associations, provincial governments, the media and academics, as well as foreign audiences. We have hired the DPA Group Inc. to undertake the surveys of Canadian audiences, and we are ourselves surveying a small sample of our missions abroad in order to indirectly capture the views of our foreign audiences.

We also intend to capture the ideas and opinions of other federal government departments, which may see themselves as co-producers of information material which is aimed at domestic and foreign audiences. The purpose of this letter is directly linked to this. We are asking each of those in other federal government departments, who earlier provided us with material about their information services, to look over the attached questionnaire in preparation for a face to face or telephone interview with us. We do not expect you to send us the questionnaire completed, although you may wish to fill it out for your own convenience prior to the interview.

As you may gather from the questionnaire, the objectives of this survey and the evaluation are as follows:

.../2

- 1) To determine what the information needs are of the clients of the Department of External Affairs.
- 2) To find out whether these needs are being satisfied by the Department of External Affairs or other providers of information.
- 3) To find out if there are more cost-effective ways of providing information services.

Our interviews with you will seek to focus on these issues from your perspective.

We appreciate your cooperation in taking part in this survey. We hope that the use of an hour of your time in looking over the questionnaire guide, and in being interviewed will be regarded by your Department as a step towards further effective collaboration with our Department in providing information to our domestic and foreign clients.

If you have any further questions, please call me or Doug Macdonald (990-9093). We shall in any case be calling you shortly to find a mutually convenient time in the next week to two weeks for an interview.

Yours sincerely,

Ian Dawson
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APPENDIX E

PROFILE OF BUSINESS SURVEY RESPONDENTS

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Ms. Louise M. Landry
Manager
Corporate Communications Department
Export Development Corporation
151 O'Connor Street
Ottawa, Ontario
K1P 5T9 8 998-2500

**EXHIBIT E-1: SECTORAL AND REGIONAL DISTRIBUTION
OF COMPLETED INTERVIEWS**

Number of Completed Interviews

Sector	Atlantic	Quebec	Ontario	West	Total
Consultants	4	10	18	23	55
Computer Software	-	3	38	7	48
Fisheries	25	7	7	8	47
Mining	2	12	26	12	52
Forestry	-	16	10	19	35
Wood Products	5	6	21	19	35
Oil & Gas	-	1	7	45	53
Tele/Elec.	3	14	56	34	107
Livestock & Agricultural Products	-	7	16	21	44
TOTAL	39	66	199	188	492
PERCENTAGE	8	13	40	38	100

* Total may not add to 100 due to rounding.

EXHIBIT E-2: CHARACTERISTICS OF EXPORT SECTORS SURVEYED

Sector	Average Annual Revenue (\$000)	Exports as % of Revenue	Main Products Exported	Export Experience Average Age (years)	% with Age over 10 years
Consultants	4,400	46	98% consulting 6% other	12	42
Software	16,800	26	96% software 8% consulting	6	13
Fisheries	20,000	53	89% processed fish 35% raw fish	20	55
Mining Equipment	15,500	20	46% mining equip. 27% constr. equip. 12% other equip.	16	50
Forestry Equipment	9,500	42	- % forestry equip. - % mining equip. - % constr. equip.	14	46
Wood Products	32,700	68	53% sec.wood.prod. 37% lumber	14	43
Oil & Gas Equipment	13,600	27	98% oil&gas equip. 4% other	14	32
Telecommunications & Electronics	11,600	40	93% tel/elec. 8% other	11	43
Food Products	64,700	9	84% processed food 23% unprocessed agric. goods	17	50

Note: (i) Percents do not always add up to 100 because certain firms export more than one main product. (ii) The figures under the heading "Main Products Exported," refer to the proportion of firms in a particular sector producing a certain product. For example, 89% of surveyed firms in the Fisheries sector have processed fish as their main product exported, while 35% of the firms in the same sector export mainly raw fish.

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Canada. Dept. of External Affairs
Evaluation of the commercial and
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