

Running head: CONTENT MEDIA ANALYSIS

Are we getting through?

Content Analysis of Canada Revenue Agency Media Clippings

A research study submitted to:

Professor Alexandre Sévigny, Ph.D.

Master of Communications Management

Donald Smith

DeGroote School of Business

McMaster University

MCM 740

Master's Professional Project

### **Research Problem**

There is general agreement among public relations practitioners that the Achilles' heel of public relations plans and programs is evaluation. There has been any number of studies of the question, with no definitive answers. Macnamara (2007) put it more succinctly than most when he wrote: "PR practitioners just don't seem to want or be able to measure" (p.2). Most plans and programs contain promises of evaluation to help gauge their success, but all too often there is insufficient time and money available to get it done.

This is frequently the case in Government of Canada departments and agencies. While research/evaluation is a mandatory element of Government of Canada advertising campaigns, departments and agencies are left to determine for themselves what kind and how much evaluation will be included when it comes to other communications activities.

At the Canada Revenue Agency (CRA), which is the organization studied, significant resources are committed to monitoring media coverage of issues that could affect the CRA, with a particular emphasis on daily newspapers. The daily "clips" packages are carefully scrutinized and subjected to quick – virtually instant -- analysis for purposes of issues management, and are also taken into consideration for environmental analysis assessment. However, in-depth analysis of the content is far less common, despite the fact that CRA program branches rely on the news media as an important means of providing taxpayers with information about the CRA's programs, policies and initiatives.

This capstone project utilized mixed research methods to arrive at a methodology for measuring media pickup of the key messages of one of the central programs of the

Canada Revenue Agency. Both quantitative and qualitative methods were used to analyse print media articles from a wide sample of Canadian newspapers.

### **Organization Studied**

The CRA is one of the oldest organizations in the Government of Canada. There has been a Minister of National Revenue since Canada's Confederation in 1867.<sup>1</sup> Elements of the CRA's mandate have changed from time to time, as has the organization's name. For many years the CRA's predecessor organizations were responsible for customs as well as tax collection, an arrangement that was formalized in 1999 with the passing of the Canada Customs and Revenue Agency Act by the Canadian Federal Parliament.<sup>2</sup> With the renewed emphasis placed on the security aspect of customs activities in the wake of the tragic events of 9/11, the customs function was separated out in 2003 and became the Canada Border Services Agency. At the same time the Canada Revenue Agency was created to look after tax collection and benefit distribution. Despite the name changes, many taxpayers and media outlets still refer to the organization as Revenue Canada, the official name prior to 1999,<sup>3</sup> or RevCan for short. The CRA acknowledged in its *Annual Corporate Survey: 2006 Study* the fact that its new name did not yet resonate with taxpayers, saying, "The Agency continues to be much better known under its historic name 'Revenue Canada'" (p.8).

With Customs gone, CRA management was able to focus on the modernization of its core functions: the administration of tax laws for the Government of Canada and for most provinces and territories; and various social and economic benefit and incentive programs delivered through the tax system. Central to this modernization was an emphasis on online services to replace paper-driven processes wherever possible.

The CRA provides details on its business in the *Canada Revenue Agency Annual Report to Parliament* (2008) which is tabled in Parliament by the Minister of National Revenue, pursuant to the statutory requirements of the *Canada Revenue Agency Act*. Selected statistics from this document give an indication of the volume of business conducted by the Agency.

The total amount collected last year was in excess of \$370 billion --averaging over \$1.5 billion every working day—including:

- \$113 billion in personal taxes
- \$40 billion in corporate taxes
- Over \$56 billion on behalf of Canada's provinces, territories, and First Nations
- Over \$17 billion in Employment Insurance (EI) premiums

Other key statistics include:

- \$16 billion in benefit and credit payments distributed to more than 11 million recipients
- More than 25 million individual tax returns filed

The CRA relies on earned and unearned advertising to reach its target audiences. Unearned: The CRA spends millions of dollars each year on traditional forms of advertising – print, radio, television and online ads. The targeting is broad, as is segmentation, e.g., all individual taxpayers (25 million), small/medium businesses, seniors, etc. The goal of these campaigns is to create awareness of government tax initiatives and to drive people to the CRA website to obtain more information.

Earned: The CRA employs a proactive media strategy in an effort to generate positive news coverage about tax information and initiatives. It is one of the elements of the CRA's Compliance Communications Initiative, a multi-year strategy drafted in 2007.

### **Compliance Communications**

The CRA operates on a system of voluntary compliance and self-assessment.

Taxpayers are provided with the information they need to file their income tax returns and they are expected to do so before the annual deadline of April 30, and to pay the correct amount of taxes owing. The penalties for not filing include fines and imprisonment.

The CRA takes compliance communications seriously. Of all the activities of the CRA's Public Affairs Branch, compliance communications is the only one that is specifically discussed in the *Canada Revenue Agency Annual Report to Parliament 2008* (2008):

Using communications as a compliance tool is a central component of the CRA's overall approach to compliance, which we believe plays a significant role in promoting positive compliance behaviour and deterring non-compliance. For Canadians who are compliant, communication about what the CRA is doing to combat tax cheating provides them with the reassurance that the CRA is serious about tax cheating. For Canadians who are considering not to comply or who are not compliant, the visibility of our compliance and enforcement activities and results may act as a deterrent and lead them to rethink perceptions of risk associated with cheating. We also need to provide taxpayers with the information they need to understand the risks and consequences of non-compliance. (p. 22)

Pro-active compliance communications at the CRA includes such tools as news releases issued after a taxpayer is convicted in court of tax evasion or failure to file income tax returns, tax tips and tax alerts posted on the CRA website along with much other information, multi-media advertising campaigns concerning tax credits and other

information taxpayers need to file their tax returns, and pro-active media relations activities.

### **Discussion of the Research Problem**

Compliance Programs Branch (CPB) is a very engaged client of the CRA's Public Affairs Branch. CPB senior managers understand the value of proactive communications and play an active role in the development and implementation of communications strategies developed for the Branch. They are also willing to commit funding to support the tactics outlined in the strategies. By the same token, they live in a results-oriented environment – something that can be said for all of the CRA – and with good reason. The ability of the Government of Canada to pay for the programs and services it provides to Canadians depends to a large degree on the CRA's ability to collect taxes.

One of the purposes of this content analysis project was to demonstrate to internal CRA audiences the kind of evaluation that is possible, and how it can and should be used in strategy development. It is an important step towards increasing the amount of research used in communications planning at the CRA.

### **Research Questions**

1. How and to what extent are the Agency's key messages picked up in media stories about issues that are important to the Agency?
2. What differences, if any, can be found in the coverage containing CRA messaging when compared to the coverage that does not contain CRA messaging?

### **Concept Definitions**

*Defining public relations.* It would be possible to fill many pages with different definitions of public relations, both short and long. If one agrees with Heath's (2001) proposition that various definitions of public relations are a result of scholars,

professional organizations and others developing definitions and statements that suited their particular circumstances and individual needs, then one should simply choose a single definition. Grunig and Hunt (1984) defined public relations as “The management of communication between an organization and its publics”(p.6)

*Defining public relations evaluation:* For the most part, research in this area spends little time defining public relations evaluation, choosing to focus on the need for more of it. Lindenman (2006) is one of the few who spends time on the former. He defines evaluation research as, “Determining the relative effectiveness of a public relations program or strategy, measuring outputs, outgrowths and outcomes against a pre-determined set of objectives” (p.24).

Many believe that public relations practitioners are guilty of an over-reliance on measuring outputs, and use them in place of evaluating results. Macnamara (2007) thinks that, “When one assumes that public communication causes effects, there is no imperative for research” (p.7). He believes that part of the problem is that the education and training provided to public relations practitioners is skewed towards the creation of the outputs, and that a significant number of those who work in public relations have migrated to it from other occupations and have little, if any, formal training at all.

Public relations is frequently viewed within organizations as part of corporate overhead that does not directly contribute to the bottom line. Kim (2001) argues that the opposite is true: “Public relations expense affects the company’s reputation positively, and the company’s reputation affects the company’s revenue positively. Thus, public relations expense indirectly affects the company’s revenue” (p.22). Kim says such contributions to the financial health of an organization are a fundamental reason why public relations practitioners have a vested interest in conducting evaluation.

Ultimately, evaluation and research should be viewed by public relations practitioners not only as something of value to their clients, but also to themselves and their profession. Anderson, Hadley, Rockland and Weiner (2009) say that should be a persuasive argument for action: “Public relations will only earn higher esteem and more influence within the business mix if it sets and demonstrates it has achieved measurable objectives clearly aligned with business objectives” (p.14).

*Defining media relations:* If public relations can be defined as the management of communications between an organization and its publics, then it can be posited that media relations can be defined as the management of relations between an organization and the media. This broad definition has served for decades. However, in the age of the Internet and social media, what constitutes media, how an organization interacts with it and how these interactions can be measured is very much a work in progress. Scott (cited in Wright and Hinson, 2008) points out that in the recent past, only editors and reporters ever saw news releases, and the general public only learned about them if the news media ran a story about them. Now they’re available to anyone with Internet access. Indirectly, what he has also pointed out is that media relations as an activity has already been re-defined by necessity, and requires new methods of measurement and evaluation.

There are other reasons for broadening both the definition of media relations and the strategies for engaging the media. Discussing a 2004 Gallup poll that showed media credibility at a 30-year low, Geary (2005) suggests that the historic reliance of public relations on traditional media is an outdated and unbalanced approach: “Enough evidence is in for public relations professionals to act. Problems within the news media and how the news media are now perceived signal that it's time for a change in strategy” (p.11)



*Defining content analysis:* What Krippendorff (2004) calls the first “systematic analysis of text” can be traced to late 17<sup>th</sup> century theological dissertations on the content of newspapers. (p.18)

The first recorded example of content analysis comes from 18<sup>th</sup> century Sweden. The subject of the analysis was a collection of hymns of which the Swedish state church took a dim view. Scholars on both sides of the issue debated the meaning of symbols found in the hymns and whether they contained dangerous ideas.

In 1893 a former newspaper editor named John Gilmer Speed produced the first analysis of newspaper content. As noted by Whitney, Sumpter and McQuail (2004), Speed looked at the content of four New York City daily newspapers over a two-year period. Speed’s analysis, called “Do Newspapers Give the News?” contained two main findings. First, he found that newspapers had grown significantly in size over the course of the two years he examined. Second, he concluded that articles concerning important subjects such as literature, science and religion had been supplanted by articles about gossip, scandal and crime, something Speed found troubling, as “News of serious happenings needed by readers to function in an urban society had been displaced by lesser stories that promoted disjointed thinking” (p.394).

As to a strict definition of what content analysis means today, Krippendorff (2004) writes, “Content analysis is a research technique for making replicable and valid inferences from data to their context” (p.18).

Neuendorf (2002) provides 2 definitions. In the first she says, “Content analysis may be briefly described as the systematic, objective quantitative analysis of message characteristics” (p.1). Neuendorf’s (2002) writings are predicated on the idea that content

analysis “is conducted within the scientific method but with certain additional characteristics” (p.9), which she enunciates in her six-part definition:

Content analysis is a summarizing, quantitative analysis of messages that relies on the scientific method (including attention to objectivity-intersubjectivity, a priori design, reliability, validity, generalizability, replicability, and hypothesis testing) and is not limited as to the types of variables that may be measured or the context in which the messages are created or presented. (p.10)

In order to be useful and seen as a practical tool, content analysis must be tied directly to corporate communications goals, which in turn must be linked to corporate business objectives. Likely, Rockland and Weiner (2006) believe that the labour-intensive nature of content analysis means that expense could be a barrier for some organizations. However, they also argue that while the cost of this type of analysis may be higher, “the return in a significantly improved quality of media relations as result of this approach strongly justifies the investment” (p.13)

Michaelson and Griffin (2005) concur. They acknowledge that software-aided research is improving, but believe that you need people for the best results: “The most accurate coding is still conducted using human readers” (p.4)

Jeffrey, Michaelson and Stacks (2006) contend that content analysis of media coverage is made up of a number of elements, and that while volume of coverage is important, tone, message and other considerations must also be factored in to obtain truly meaningful findings.

*Defining compliance:* For the CRA, the meaning of the term “compliance” is used purely in connection with taxpayers’ responsibilities under the *Income Tax Act of Canada*, as outlined in the Canada Revenue Agency Annual Report to Parliament 2008 (2008).

- “Register as required under the law (for example, for the GST);
- File returns on time;
- Report complete and accurate information to determine tax liability; and
- Pay all amounts when due” (p.16).

Anyone who fails to meet these requirements is guilty of non-compliance.

*Defining issues management.* Heath’s (1997) definition of issues management includes “the identification, monitoring, and analyses of trends in key publics’ opinions that can mature into public policy and regulative or legislative constraint” (cited in Seeger, Sellnow & Ulmer, p156).

For Seeger, Sellnow & Ulmer (2001), it is possible to isolate the ‘issue’ in issues management, for definition purposes, by contrasting it with the word ‘crisis’. “An issue is a contestable claim about a matter of fact, policy or value. Although the fundamental facts of a crisis (e.g., the presence of an explosion, the occurrence of a crash) rarely are in dispute, questions of cause, responsibility, blame, relative harm, and remedial action almost always are disputed following a crisis” (p.157).

### **Methodology**

The goal of the research was to quantify the quality of coverage the CRA receives in daily newspaper articles on issues relating to tax compliance. In order to achieve this goal a system was developed for rating these articles in an objective manner, utilizing a number of criteria. Points were assigned based on how each article met the criteria.

#### Why Dailies?

A number of factors contributed to the choice of Canadian daily newspapers for study as opposed to other news media.

First, to a large degree daily newspapers drive the issues management process in the Government of Canada and the CRA. Daily newspapers provide far more in-depth coverage of issues – a two-minute television report may contain 200 words, while a newspaper story on the same issue might contain 2,000 words. Second, the vast majority of dailies are published in the morning, and the issues management process starts early each morning for the Government of Canada. It can also be said that daily newspapers drive other media coverage – television and radio reporters generally start their workdays by reading the newspaper.

Finally, the most comprehensive media monitoring the CRA does is daily newspaper coverage, and the Agency maintains an electronic archive. By contrast, while there are 850 weekly newspapers in Canada, monitoring them is labour-intensive and costly, as there is no electronic monitoring available. And in order to monitor broadcast items, transcripts would have to be obtained – a costly undertaking.

#### CRA Print Media Monitoring:

The CRA pays for access to the electronic version of the editorial content of the 66 largest Canadian daily newspapers. This information is available seven days a week, starting shortly after midnight and continuing until approximately 7:00 a.m. Eastern time. The Agency's media monitoring system is based on custom software that trolls through the nightly flow of information and selects 300 - 500 articles each night based on a keyword search. Starting at 5:00 a.m. each weekday, CRA employees go through these articles and select the 15 - 20 that will be placed in the "top stories" category of the CRA's intranet application MediaZone.

#### Selecting Articles for Study:

Neuendorf (2002) maintains that content analysis is a reasonably complicated process that requires training and planning. The researcher discovered that even determining which articles qualified as “compliance” stories was a task that required seasoned judgment. Approximately 3,000 articles had to be reviewed, which represented six months’ worth of “top stories.” The months chosen were November and December 2008, and January, February, March and April 2009, as these are the six months leading up to the individual tax-filing deadline of April 30.

The challenge in selecting the stories for analysis was that while the overall theme of the stories is compliance with the Income Tax Act, the CRA has identified 17 categories of compliance stories, along with eight pages of related messages. Some selections were easy, e.g., articles about income tax evasion. Others were much less so, e.g., articles about contraband tobacco. A story that mentioned the CRA’s role vis a vis contraband tobacco would be included; a story that discussed an analysis of cigarette butts found in schoolyards in order to determine youth participation in the contraband tobacco market would not be included.

One thing became clear early on in the culling process: selecting the stories that would be included was not easy. Very seasoned judgment was needed. Junior staffers tried unsuccessfully to help, despite guidance, coaching and direction.

In total, the manual review of the six months worth of top stories yielded 332 articles, in French and English, about issues relating to compliance with the Income Tax Act of Canada.

### The Content Analysis Tool

The researcher engaged Leger Marketing of Toronto to assist in the development of a research tool that allowed the researcher to assign points to newspaper articles based

on the “quality” of the coverage from the Agency’s perspective and to assign each article a favourability rating. The criteria used in judging quality included where an article was placed in the newspaper, the pickup of messages, sources and tone. The unit of sampling would be an article, as tone cannot be measured if the unit of sampling is a sentence.

Significant discussions took place on issues such as the research design, variables to be measured and what constituted a key compliance message.

All articles started out with a neutral score of 50. Based on tracking for placement, messages, sources and tone the article could gain or lose points up to a maximum of 50 in either direction for extreme scores of 0 or 100. Values were applied to the criteria as follows:

Placement	+/- 20
Messages	+/- 10
Sources	+/- 10
Tone	+/- 10
Total	+/- 50

Using the agreed-upon criteria, Leger Marketing applied its CARMA Analysis Favourability Rating system. The company was responsible for the coding, findings and initial report preparation.

### Terminology

Key terms to be used in the report are as follows:

Article focus refers to the main subject of an article.

Article issue refers to key words/terms that were tracked during our analysis.

Positioning statements refer to messages found in articles that either enhance or detract from the CRA’s public image.

Sources refer to those individuals who are either directly or indirectly quoted in a news item, while bylines refer to the writer of an article.

Volume is the number of times an item is mentioned.

## Findings

### Summary

A total of 332 articles were evaluated. The overall favourability rating was 57, which is two points higher than the CARMA Global Favourability rating index. This index covers approximately 400 companies from a wide variety of sectors, including healthcare and pharmaceuticals, information technology, telecommunications, automotive, financial and banking, agriculture, food and beverage, energy and utilities,

Table 1

<b>Summary</b>	
Total volume of coverage	332
Overall Favourability	57
Global Favourability	55
Leading Article Focus	Taxpayer Compliance/Tax Evasion
Leading Issue(s)	<ul style="list-style-type: none"> <li>▶ Canada Revenue Agency (CRA)</li> <li>▶ Cheating on Taxes/Tax Evasion</li> </ul>
Leading favourable source	Jean-Pierre Blackburn (Minister of Revenue)
Leading publication	The Globe and Mail

(Leger Marketing)

non-profit and charitable organizations, retail, consumer goods and government. 82 percent of the total coverage was favourable, receiving an average favourability rating of 62 percent. The leading article focus was taxpayer compliance/tax evasion, and the

leading issues were the CRA, cheating on taxes and tax evasion. The leading favourable source was Jean-Pierre Blackburn, the Minister of National Revenue, who is the minister responsible for the CRA. The publication with the most number of articles on CRA compliance issues was the *Globe and Mail*.

### Volume and Favourability by Focus of Article

The articles were placed into one of nine article focus categories. The largest category was Taxpayer Compliance/Tax Evasion, with a volume of 79 articles and an average favourability rating of 59.

The 76 articles concerning Investigations/Audits/Tax Law received the lowest average favourability rating at 52. This is not surprising, given that stories from taxpayers about alleged mistreatment at the hands of the CRA are not uncommon. CRA rarely fares well in these stories, because the only side that gets told is the taxpayer's. Section 241 of the Income Tax Act makes it illegal for the CRA to discuss specific cases.

The third largest category was Underground Economy/Crime, with 70 articles and an average favourability rating of 56. Tax Planning/Filing Tips/Information was next with 55 articles and an average favourability rating of 60. The fifth largest category was Registered Charities/Donations, with 39 articles and the highest average favourability rating of the five largest categories, at 62.

The remaining four categories each contained six or fewer articles and for this reason are listed here:

Compliance Approach/Education (volume 5, favourability rating 66)

Enforcement & Disclosures (volume 1, favourability rating 60)

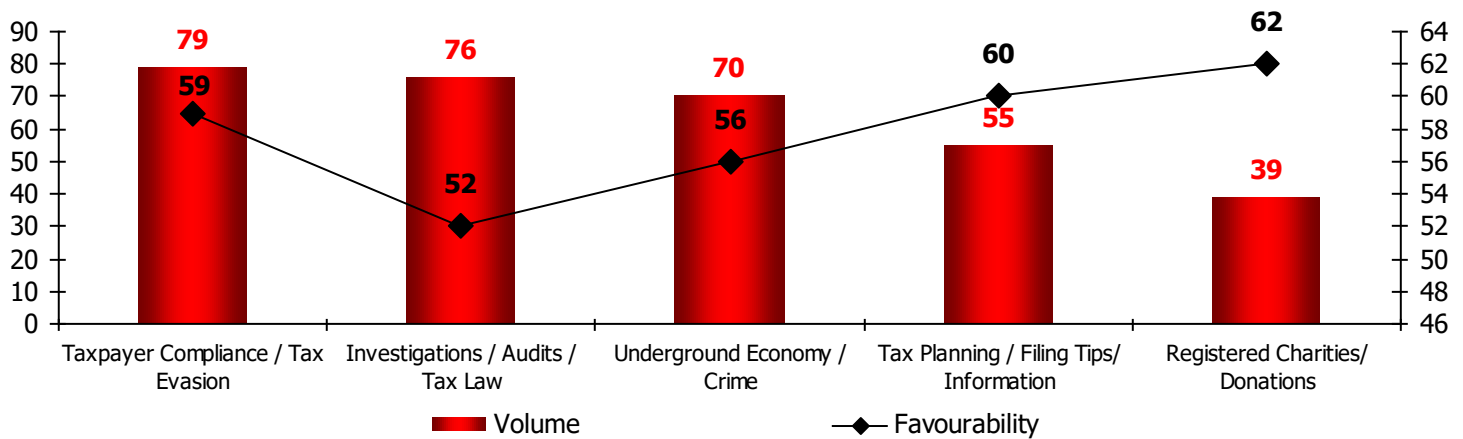
Registering/filing/reporting (volume 1, favourability rating 65)

Other (volume 6, favourability rating 53)



The most voluminous article focus categories in the average favourability rating of the articles in the categories are presented in the graph.

Figure 1



(Leger Marketing)

### Top Issues by Volume

Canada Revenue Agency (CRA) was by far the most voluminous issue found, appearing in 209 articles or 63% of coverage. CRA was coded as an issue if it was mentioned in the article. There were many articles that did not mention CRA, such as those discussing filing tips or tobacco smuggling. Therefore 209 of the 332 articles analyzed made mention of CRA.

Cheating and Avoiding Taxes were discussed in 40 percent of the articles. Another 25 percent of the articles discussed Excise and Tobacco Taxes/ Contraband Tobacco, Tax laws/ Tax court/ Income Tax Act accounted for 23 percent. Articles with Excise Tobacco Taxes/ Contraband Tobacco generally discussed smuggling tobacco and selling cigarettes with no taxes. Articles with Tax laws/ Tax court/ Income Tax Act had to do with people being prosecuted for tax evasion or insisting they should not have to pay taxes as well as lawsuits against CRA for unfair investigations and audits.

Deductions, Tips on Filing Returns and HST/GST were the least common issues all having less than 10% of total coverage. All other issues appeared in 22 or fewer articles. Percentage of coverage is >100% as multiple issues are often found in one article. Issues representing at least 8% of total coverage are displayed in Table 2.

Table 2

<b>Top Issues by Volume</b>			
<b>Issue</b>	<b>Volume</b>	<b>% of Coverage</b>	<b>Favourability Rating</b>
Canada Revenue Agency (CRA)	209	63%	57
Cheating on Taxes/Tax Evasion	132	40%	57
Excise & Tobacco Taxes/ Contraband Tobacco	82	25%	56
Tax Laws/Tax Court/Income Tax Act	75	23%	57
Personal Tax Returns	64	19%	59
Scams/Fraud	51	15%	57
Audits	50	15%	52
Charitable status/ Donations	44	13%	62
Tax credits/ Rebates/ Relief programs	35	11%	61
National Revenue Minister	33	10%	58
Tax shelters / Havens	33	10%	64
HST/ GST	31	9%	59
Tips on filing returns	30	9%	61
Deductions	26	8%	59

(Leger Marketing)

Positive Messages by Volume

Table 3

<b>Positive Messages by Volume</b>		
<b>Message</b>	<b>Volume</b>	<b>Favourability</b>
Participation in the Underground economy hurts all Canadians and means less money for important services and programs. Paying 'under the table' may mean added liability or the risk of shoddy workmanship for consumers/ CRA	<b>26</b>	<b>58</b>
CRA works to monitor registered charities to ensure that donors may make informed choices	<b>24</b>	<b>63</b>
CRA works to improve its programs and to develop new ones to better assist taxpayers in compliance with the tax laws/ tries to make filing simple and hassle-free/ Provides tips and information on programs and credits	<b>23</b>	<b>67</b>
CRA takes all allegations of tax impropriety seriously and reviews the information to ensure compliance/ CRA catches most cheaters and evaders/ CRA using Tax Act laws to prosecute offenders	<b>18</b>	<b>65</b>
The CRA works in a fair and impartial manner under the income tax act to ensure that all Canadians meet their tax obligations to keep the system fair for those who comply with the tax laws/ Maintains privacy regarding filing	<b>12</b>	<b>62</b>
The voluntary disclosures program allows people to come forward and correct their tax information without risk of penalty or prosecution	<b>9</b>	<b>68</b>
CRA conducts reviews and audits to ensure that tax shelters are legal and to inform investors of potential risks or problems/ Tries to limit access to illegal tax havens	<b>4</b>	<b>73</b>
Tax evasion defrauds the government and places an increased burden on honest taxpayers	<b>3</b>	<b>70</b>
CRA plays a strong role in international efforts to deter abusive or illegal tax schemes	<b>2</b>	<b>75</b>

(Leger Marketing)

For this report, 10 positive messages were tracked, of which 9 appeared in the articles analyzed. The 9 messages found are presented according to volume in Table 3.

Positive messages were found 121 times. The message found most often (26 times) was “Participation in the Underground economy hurts all Canadians and means less money for important services and programs. Paying ‘under the table’ may mean added liability or the risk of shoddy workmanship for consumers/ CRA.” The message “CRA works to monitor registered charities to ensure that donors may make informed choices,” appeared 24 times, and the message “CRA works to improve its programs and to develop new ones to better assist taxpayers in compliance with the tax laws/ tries to make filing simple and hassle-free/ Provides tips and information on programs and credits,” appeared 23 times.

The average favourability rating of all the articles containing positive messages is 64, compared to the overall favourability rating of 57 for all articles examined. This would suggest that when CRA messages are picked up for use in articles, the CRA usually has a better chance of positive coverage.

#### Negative Messages by Volume

Five negative messages were tracked, all of which appeared in the articles analyzed, with a total volume of 50. Two messages dominate. “It’s too easy for people to get away without paying their taxes/ CRA doesn’t catch most tax evaders/ CRA needs to improve its ability to discover fraud and cheating,” appeared 25 times. “The CRA is unfair to law-abiding Canadians and treats them like they are criminals,” was found 13 times. The average favourability rating of these messages is 37. The negative messages tracked are presented in table 4 according to volume.

Table 4

<b>Negative Messages by Volume</b>		
<b>Message</b>	<b>Volume</b>	<b>Favourability</b>
It's too easy for people to get away without paying their taxes/ CRA doesn't catch most tax evaders/ CRA needs to improve its ability to discover fraud and cheating	25	42
The CRA is unfair to law-abiding Canadians and treats them like they are criminals	13	34
CRA makes errors which end up costing taxpayers money/ CRA changes or interprets laws and rules to suit their own ends.	6	40
The CRA is power-hungry and difficult to deal with/ CRA abuses its power	4	29
The systems in place to make filing easier don't work/ Are too complicated	2	40

(Leger Marketing)

Positive Sources by Volume

The Honourable Jean-Pierre Blackburn, the Minister of National Revenue and the minister responsible for the CRA, is by virtue of his position the lead spokesperson for the CRA, so it's not surprising he is the number one source, with a volume of 22 and favourability rating of 64. Additionally, Mr. Blackburn is a Francophone minister from Quebec, and such ministers are widely sought-after for comment in their own province, particularly from French language media.

The second-most popular source is Spokesperson/Statement, with a volume of nine. This category consists of on-the-record statements from CRA spokespersons that were not quoted by name, or email responses from CRA spokespersons to journalists.

Caitlin Workman is a media relations specialist at CRA headquarters and a

Table 5

Positive Sources by Volume			
Source		Volume	Favourability
Jean-Pierre Blackburn	Minister of Revenue	22	64
Spokesperson/Statement	CRA	9	64
Catlin Workman	CRA	4	68
Noel Carisse	CRA	3	45
Serge Paradis	CRA	2	68
Debbie Johnson	CRA	2	70
Suhanya Edwards	Federal Crown Attorney	2	68
Linda Divita	Revenue Quebec	2	73
Sgt. Michael Harvey	RCMP	2	68
Catherine Jolicoeur	CRA	2	60
Bradley Alvarez	CRA	2	55

(Leger Marketing)

national spokesperson, and in this study was found to be third most popular source, with a volume of four and a favourability rating of 64.

The favourability rating applies to the article, not the spokesperson, which explains how Noel Carisse, Assistant Director of Operations - Media Relations, can have a rating of 45 in the three articles in which he was quoted as a source. The CRA often finds itself dealing with media inquiries about controversial issues. It is not always possible to influence the story enough to tip the balance to the favourable side. Given the low favourability rating, it is likely that Mr. Carisse had to handle some of the most challenging media issues. All other positive sources were quoted only twice.

There were also 35 neutral sources, and 41 negative sources. No one person or group has the market cornered as a public critic of CRA compliance issues:

- One neutral source was quoted three times.
- Four negative sources were quoted three times.
- All other neutral and negative sources were quoted once each.

#### Top Publications by Volume

Relevant articles were found in 52 of the 66 newspapers examined. Results are presented in Table 6. There were 45 other publications not listed here, each with fewer than 10 articles per publication.

Table 6

Top Publications by Volume			
Publication		Volume	Favourability
<i>The Globe and Mail</i>	Toronto, ON	35	52
<i>The Chronicle-Herald</i>	Halifax, NS	21	53
<i>The Gazette</i>	Montreal, QC	16	53
<i>The Guardian</i>	Charlottetown, PEI	16	56
<i>The Ottawa Citizen</i>	Ottawa, ON	15	58
<i>Toronto Star</i>	Toronto, ON	12	63
<i>National Post</i>	Don Mills, ON	12	62
<i>The Vancouver Sun</i>	Vancouver, BC	12	56
<i>La Presse</i>	Montreal, QC	11	57
<i>Times and Transcript</i>	Moncton, NB	11	60
<i>Le Journal de Montreal</i>	Montreal, QC	11	55
<i>Le Quotidien</i>	Chitcoutimi, QC	11	63

### Bylines by Volume

There were a total of 161 bylines associated with the 332 articles analyzed. Table 7 outlines the top publications by volume and the average favourability rating of the articles they published.

Kevin Donovan of the *Toronto Star* was the most voluminous byline, appearing in seven articles that had an average favourability rating of 66. Paul Waldie of the *Globe and Mail* had a volume of six articles with an average favourability rating of 50. Daniel Leblanc of the *Globe and Mail* had an average favourability rating of 41 on a volume of five, Louise Dickson of the *Victoria Times Colonist* had a volume of five with an average favourability rating of 34, and Roger Haineault of the *Moncton Times and Transcript* also had a volume of five with an average favourability rating of 59.

Table 7

Top Bylines by Volume			
Byline		Volume	Favourability
Kevin Donovan	Toronto Star	7	66
Paul Waldie	Globe and Mail	6	50
Daniel Leblanc	Globe and Mail	5	41
Louise Dickson	Times Colonist	5	34
Roger Haineault	Times & Transcript	5	59
Alan Cochrane	Times & Transcript	4	65
Jonathan Chevreau	Financial Post	4	69

(Leger Marketing)

Alan Cochrane of the *Times and Transcript* had a volume of four with an average favourability rating of 65, and Jonathan Chevreau of the *Financial Post* had a volume of



four with an average favourability rating of 69. There were 154 other bylines not listed here, each with three or fewer articles per byline.

## **Analysis**

### Sources

Positive sources are quoted in 26 percent of the articles analyzed. Remember that the average favourability rating of all articles is 57. The average favourability rating of positive articles (82 percent of all articles) is 62. The average favourability rating of the stories with positive sources is higher still -- 64. This would suggest that CRA sources are generally viewed as credible.

This category does not mention CRA's Director General of Charities Directorate by name, but the media relations work the last two incumbents of that office have done is significant and the results of that work are discussed in the analysis of bylines.

The fact that positive sources are quoted in just over a quarter of all articles should be of some concern to the CRA, given that favourability ratings are higher when a CRA source is cited in an article. The CRA's process for approving proposed responses to media inquiries can, at times, be cumbersome and time-consuming, which means media inquiries are not always responded to in a timely manner and journalists' deadlines are sometimes missed.

### Messages

CRA's positive messages are getting through. Positive messages outnumber negative messages by a volume of 121 to 50. The positive messages are numerous -- ten positive messages were tracked and nine appeared in the articles analyzed -- and four of them are complex, incorporating two sentences and sub-messages. The average favourability rating for an article in which a positive message is included is 64.

Two messages dominate the negative category. “It’s too easy for people to get away without paying their taxes/ CRA doesn’t catch most tax evaders/ CRA needs to improve its ability to discover fraud and cheating,” had a volume of 25 and an average favourability rating of 42. “The CRA is unfair to law-abiding Canadians and treats them like they are criminals,” had a volume of 13 and an average favourability rating of 34. These were the only negative messages in the double digits in volume, and they outnumber the positive messages on the same topics.

“CRA takes all allegations of tax impropriety seriously and reviews the information to ensure compliance/ CRA catches most cheaters and evaders/ CRA using Tax Act laws to prosecute offenders,” had a volume of 18 and an average favourability rating of 65, while “The CRA works in a fair and impartial manner under the income tax act to ensure that all Canadians meet their tax obligations to keep the system fair for those who comply with the tax laws/ Maintains privacy regarding filing,” had a volume of 12 and an average favourability rating of 62.

### Publications

There were few surprises in these findings. The newspapers that are the biggest and have the most reporters cover CRA issues more often than any other newspapers. The *Globe and Mail*, with a volume of 35, is the largest national newspaper in the country and more hard-news oriented than most of its competitors. The *Halifax Chronicle Herald* is the largest newspaper in Atlantic Canada, and is also the paper-of-record for that region of the country.

The *Montreal Gazette* is the largest English-language newspaper in Québec, which is the home province of the Minister of National Revenue. The *Gazette* is one of

four Québec dailies to make the top 12 in terms of volume, reflecting a keen interest in the portfolios of federal ministers from that province.

While the *Charlottetown Guardian* serves a relatively small market in Canada's smallest and least-populated province, it is read throughout Prince Edward Island, where the CRA is one of the major employers.

One of the few surprises was that none of the dailies from the Prairies made the top 12.

### Bylines

There were a total of 161 bylines associated with the 332 articles analyzed. That translates to an average of two articles per reporter over the six month period analyzed.

The journalist with the highest volume was Kevin Donovan of the Toronto Star, with a volume of seven. This is significant because CRA Media Relations worked closely with Mr. Donovan and on his behalf to provide him with access to the CRA's most senior official on matters relating to charitable organizations and their responsibilities under the Income Tax Act. Several years ago Mr. Donovan contacted the CRA and said he was going to write a series of articles on charities and charitable giving and wanted to understand the role of the CRA. CRA Media Relations worked with the Director General of Charities Directorate who spoke to the journalist for two hours at their first meeting. That initial discussion was followed up by a number of shorter telephone conversations. All information discussed was understood by both parties to be on-the-record. The relationship continued with the Director General's successor. The average favourability rating of the articles written by Mr. Donovan was 66. This suggests that the establishment over time of a mutual-trust relationship between a government organization and a journalist can benefit both sides. The journalist is better educated and more

knowledgeable about his/her subject, and the organization may receive more factual and informed coverage from that journalist.

## **Conclusions**

### Value for Money

Content analysis allows public relations practitioners to demonstrate value for money and make evidence-based conclusions. Many of the measurements commonly used by practitioners, such as number of news releases issued, number of media inquiries dealt with, number of resultant stories, number of column-inches of newspaper coverage are measurements of output. Content analysis allows the practitioner to measure outcomes and to make adjustments to strategic communications planning based on the findings.

### Positive Sources: Responsiveness Critical

Improving responsiveness to media inquiries could increase overall favourability ratings, as average favourability ratings favourability ratings were higher when a message from a positive source was included in an article. However, delays in responding mean journalists' deadlines may not be respected and detract from the CRA's ability to provide those messages. CRA should explore ways to improve responsiveness, and might start by looking for ways to speed up its process for approving responses to media.

Governments sometimes believe their communications interests are best served by responding to media inquiries via email instead of personal contact, or by not responding at all. They should re-think their strategies. The data in this study demonstrate clearly that while favourability ratings were higher in articles that contained CRA messages, ratings were higher still when those messages were provided directly by a

source. (To clarify, it is general CRA practice to respond to media inquiries via personal contact, usually telephone, rather than email.)

Positive Sources: Executive Spokespeople a Plus

Providing senior, credible Subject Matter Experts as spokespersons to key journalists enhances credibility and improves favourability ratings. It has worked for CRA's Charities Directorate. CRA should examine the possibility of having more executive-level SMEs for other programs in an effort to establish working relationships with journalists and improve favourability ratings for articles about other CRA program areas.

The objective is not to put a face on a program – the Director General of Charities Directorate was not quoted more than once in the articles examined. Yet he did have multiple conversations with the journalist and influenced stories. It's not about getting quoted, it's about ensuring journalists are provided with solid information that may influence them even if they don't call about a particular article.

There are a limited number of opportunities to establish such relationships, for the simple reason that most journalists don't have the time and are not committed to a single "beat." In fact, beat reporters are an endangered species. The vast majority of journalists tend to be generalists, who may also have a number of specialties that they focus on as the need arises and stories dictate. The findings showed that 161 different reporters wrote the 332 articles analyzed. With so few specialists it is difficult to target reporters for purposes of building relationships. This situation is not unique to the CRA – beat reporters with time to spend learning about a subject – for example, a two-hour briefing with no specific story resulting – are an endangered species. For most reporters, if they spend two hours researching or interviewing, they're expected to produce a story for the

newspaper. However, senior journalists that work for larger dailies have more freedom than most of their counterparts at smaller dailies. It's those journalists who might be interested in establishing mutual trust relationships with senior SMEs that can benefit both sides.

The principle of using senior SMEs is applicable to other government departments and agencies, and some of them have already embraced it. An excellent example is Natural Resources Canada, where senior scientists are on call to act as expert spokespersons outside of regular business hours.

### Negative Sources

Criticism of the CRA comes from many quarters. No group or individual was quoted more than three times, and this presents a challenge to the CRA. How does it reach such a wide and diverse audience effectively via the news media? The answer may lie in improving responsiveness to media inquiries, as discussed above.

### Messaging

For the purposes of this research 10 messages were tracked, but that number could have been much higher: the CRA has eight pages of approved messaging on compliance issues. The findings show that the messages are indeed being picked up, but with so many messages, are any of them resonating with readers? If the CRA wishes to have overarching messages resonate with its publics, the overarching messages must be refined and the number limited. CRA has a big job in getting its messages heard because its audience of journalists is so big. This is not a challenge that is unique to the CRA. Any government department or agency that wants to reinforce a particular message or set of messages must ensure that its messaging is focused.

### Overall Conclusions

Effective media relations can positively influence media coverage. Government departments and agencies must recognize this. They should take steps to ensure that the media relations function is understood throughout their organizations, that all senior managers understand the importance of media relations, and that corporate media relations are supported by all levels of the organization.

### **Theory Discussion**

#### Gatekeeping Theory

Gatekeeping is a term first coined by Kurt Lewin in reference to information being filtered by the media before it is presented to the public. Bittner (1977) built on Lewin's definition and defined gatekeeper as "any person or formally organized group directly involved in relaying or transferring information from one individual to another through a mass medium" (p.10).

The results of this content analysis study support the continuing viability of gatekeeping theory with traditional media playing the gatekeeper role. The CRA employs a variety of methods to communicate its messages to the public via the news media. A total of 332 articles on the subject of the CRA and income tax compliance were found in 66 Canadian daily newspapers.

The sheer number of articles examined in this study underlines the modern role of gatekeeping theory. CRA messages were picked up and filtered by the journalists who wrote the stories. CRA sources actively made themselves available to provide CRA messaging to the newspapers, and the CRA commits significant resources to monitoring activities to track the resulting coverage. These efforts substantiate the importance of the role of the daily newspaper to the CRA, and by extension, the sustained validity of

gatekeeping theory. Despite the availability of tens of thousands of pages of information available on the CRA website, with 4.7 million daily newspapers sold each day, there are obviously many people who still prefer that a journalist, or gatekeeper, go through it all and provide them with just the salient points.

However, no discussion of gatekeeping theory would be complete without acknowledging that the role of the gatekeeper is no longer the exclusive purview of the traditional news media.

Prior to the Internet age, private or public sector organizations that wanted to communicate their initiatives to the public had far fewer choices. They could either buy advertising or hope to garner news media coverage. If such coverage was obtained, the degree of completeness and accuracy of the coverage was entirely at the discretion of the media outlet. Pre-Internet, the only way the public would ever see any or all of the contents of an organization's news release was if the news media ran a story on it.

Those circumstances contrast sharply with the reality of today. Organizations' Internet websites contain news releases, annual reports and myriad other documents, complete and unabridged. Organizations with contrary viewpoints also have websites. The public can now obtain multiple points of view with no filter. The news media may still play the gatekeeping role for its audience, but that audience can now choose to dig deeper into the media stories they read, see and hear. Access to raw information, once exclusive to the news media, is now available to all.

Despite this, there is evidence that not only does gatekeeping theory still apply in terms of traditional media, but also that Internet-based social media have given the theory new relevance. The gatekeepers of the early 21<sup>st</sup> century can reach a far wider audience than their pre-Internet era predecessors without ever leaving their laptops or PCs. They



are bloggers, and in sports parlance, they are game-changers when one discusses gatekeeping theory.

The Oxford Dictionary<sup>2</sup> defines a blog (short for weblog) as “A personal record that someone puts on their website giving an account of their activities and their opinions, and discussing places on the Internet they have visited”. A person who establishes and maintains a blog is called a blogger, and all blogs on the Internet form the blogosphere. Social media also involves the use of such Internet sites as MySpace and Facebook, which allow people to post text, photos and video which they can share with other users, and YouTube, which hosts user-generated videos. Social media enjoy enormous popularity. In *State of the Blogosphere – 2008*, Technorati<sup>3</sup>, a website that tracks the development of all things related to blogging, reports there are 184 million blogs on the Internet, 41 million subscribers to Facebook and 75 million subscribers to MySpace. The rate of growth for these tools is staggering. Technorati’s first report, published online in 2004<sup>4</sup>, indicates that there were just over 4 million blogs that year.

Public relations practitioners and the professional associations that represent them have taken note of all this activity and are working to factor it into their communications planning. In research commissioned by the Institute for Public Relations, Carrabis, Cass, Gillin, Nacht and Peverill-Conti (2008) found that public relations specialists in both the public and private sectors are already making use of social media to advance the interests of their organizations. “Of the organizations surveyed, 78 percent use blogs, 63 percent use online video, 56 percent use social networks and 49 percent use podcasts in their organizations’ communications initiatives” (p.11). The findings show that social media have already found a place as a “core channel for disseminating information” (p.16). The

research also found that social media were thought to be most effective with audiences in the 18-35 age group (Carrabis et al, 2007).

These findings, which indicate that blogs and social media have quickly become an important means of reaching significant portions of potential audiences, were confirmed by similar research published in the *Public Relations Journal*. The research by Wright and Hinson (2008) also found that more than two-thirds of public relations practitioners “believe social media complement traditional news media, and an even higher number (89 percent) think blogs and social media influence coverage in traditional news media” (p.18).

In a world with instant access to almost unlimited amounts of information for anyone with an Internet connection, future researchers may wish to focus their efforts on evaluating the ongoing relevance of gatekeeping theory in the context of a rapidly developing social media universe.

### **Limitations**

There are 98 general-interest daily newspapers in Canada. The analysis conducted for this report covers only the 66 largest dailies, as these are the newspapers to which the CRA subscribes, believing that it is possible to take a national sounding without subscribing to all dailies. Daily newspapers are not the only targets of CRA compliance communications efforts. However, since they are available online, it is a relatively simple matter to search for coverage pertaining to particular areas of interest. This is not the case with Canadian weekly newspapers. There are approximately 850 weekly newspapers in Canada, but there is no cost-effective method for scanning them. They are not available electronically, for the most part, which means scanning must be done manually and at

significant cost. Unfortunately, the Canadian Community Newspaper Association says its members have no plans to make such information available electronically.

While the data yielded by this research will form a valuable baseline against which future research can be compared, direct correlations between media coverage of compliance issues and public perception of the CRA must take into account the that outside factors can and do influence taxpayers' opinions about the CRA. The *CRA Annual Corporate Survey: 2008 Study* (2008) found that "Canadians are more apt to give the CRA positive marks if they are generally positive about the federal government and the level of taxation, factors over which the Agency has no control" (p.4). Conversely, negative opinions about overall government performance can adversely affect opinion about the CRA.

### **Future Directions**

This is the first time the CRA has attempted this type of research. The findings, analysis and recommendations contained in this report may be used as mitigating factors when reviewing strategic direction. Longer-term strategies will emerge when such research is repeated year-on-year and trend data can be factored in. It should be pointed out that there were no crises or major issues facing the CRA during the analysis period.

The CRA faces a larger, longer-term issue in the declining popularity of traditional media, including daily newspapers. The Canadian Newspaper Association (CNA) reports that approximately 4.7 million daily newspapers were sold on an average day in 2007. Circulation, which has been on the decline for years, dropped another 1.5 percent over the previous year. The CNA also notes that newspaper readers are more likely to be older than 34. No one is predicting that this trend will end any time soon.

Sinclair Stewart and Grant Robinson, writing in *The Globe and Mail* (2009), summed up the challenge facing Canadian newspapers: “In Canada, every major newspaper company has undertaken significant layoffs in the past year and the Halifax Daily News has folded” (p. F6). While it will be feasible to replicate this study in near-future years, ultimately any dramatic and fundamental change in the newspaper industry will likely impact coverage. Such a change would therefore have to be factored in to any analysis.

At the same time, it must be remembered that for the foreseeable future, daily newspaper coverage will continue to drive not only other forms of traditional media (TV and radio news), as well as much of the news content of social media. As long as this reality remains, analysis of daily newspaper coverage will remain a valuable yardstick for public relations practitioners.

While this research has demonstrated that content analysis of print media coverage is a viable undertaking, as the definition of “media” evolves, so must the scope of content analysis. Williams (2009) states: “The impact of social media on attitudes, disposition, etc., will become ever more important” (p.15). As the CRA continues to expand its use of social media tools to reach its audience, the ability to measure the effectiveness of these tools will also become more important.

The CRA and other Government of Canada departments and agencies should consider the question “What constitutes ‘media’ today?” The answer will help them develop a new definition of media relations, one more appropriate for the 21st century.

## References

- Anderson, F. W., Hadley, L., Rockland, D. & Weiner, M. (2009). Guidelines for setting measurable public relations objectives: An update. Retrieved September 25, 2009 from [http://www.instituteforpr.org/research\\_single/guidelines\\_for\\_setting\\_measurable\\_public\\_relations\\_objectives\\_an\\_update/](http://www.instituteforpr.org/research_single/guidelines_for_setting_measurable_public_relations_objectives_an_update/)
- Canada Revenue Agency. (2008). *Canada Revenue Agency Annual Report to Parliament 2007-2008*. Ottawa.
- Canadian Newspaper Association. (2008) *The Scoop*. Retrieved from <http://www.cna-acj.ca/en/about-newspapers/the-scoop-daily-newspapers-canada/the-scoop-daily-newspapers-canada> September 13, 2009.
- Carrabis, J., Cass, J., Gillin, P., Nacht, R. and Peverill-Conti, G. (2008) New media, new influencers and implications for public relations. (Electronic version) SNCR Press. Retrieved October 4, 2008, from [http://www.instituteforpr.org/files/uploads/New\\_Influencers\\_Study.pdf](http://www.instituteforpr.org/files/uploads/New_Influencers_Study.pdf)
- EnviroNics Research Group. (2008) *CRA Annual Corporate Survey: 2008 Study*. Ottawa.
- Geary, D. L. (2005) The decline of media credibility and its impact on public relations. (Electronic version). *Public Relations Quarterly*. 50 (3). 8–12.
- Grunig, J., & Hunt, T. (1984). *Managing public relations*. New York: Holt, Rinehart & Winston.
- Heath, R. L., (2001) The dynamics of change in public relations practice. In R. L. Heath (Ed.). *Handbook of Public Relations* (p.183-188). Thousand Oaks, CA: Sage.
- Jeffrey, A., Michaelson, D. & Stacks, D. W. (2006). Exploring the link between volume of media coverage and business outcomes. Retrieved September 24, 2009 from

[http://www.instituteforpr.org/research\\_single/link\\_between\\_share\\_of\\_media\\_and\\_business\\_outcomes/](http://www.instituteforpr.org/research_single/link_between_share_of_media_and_business_outcomes/)

Kim, Y. (2001) Measuring the economic value of public relations (Electronic version).

*Journal of Public Relations Research*. 13 (1), 3-26

Krippendorff, K. (2004). Content analysis: An introduction to its methodology. Thousand Oaks, CA: Sage.

Likely, F., Rockland, D., & Weiner, M. (2006) Perspectives on the ROI of media relations publicity efforts. Retrieved on September 29, 2009 from [http://www.instituteforpr.org/research\\_single/perspectives\\_on\\_the\\_roi/](http://www.instituteforpr.org/research_single/perspectives_on_the_roi/)

[http://www.instituteforpr.org/research\\_single/perspectives\\_on\\_the\\_roi/](http://www.instituteforpr.org/research_single/perspectives_on_the_roi/)

Lindenmann, W. K. (2006). Public relations research for planning and evaluation.

Retrieved October 3, 2009 from [http://www.instituteforpr.org/files/uploads/2006\\_Planning\\_Eval.pdf](http://www.instituteforpr.org/files/uploads/2006_Planning_Eval.pdf)

Michaelson, D. & Griffin, T. (2005) A new model for content media analysis. Retrieved October 3, 2009 from [http://www.instituteforpr.org/files/uploads/Media\\_ContentAnalysis.pdf](http://www.instituteforpr.org/files/uploads/Media_ContentAnalysis.pdf)

[http://www.instituteforpr.org/files/uploads/Media\\_ContentAnalysis.pdf](http://www.instituteforpr.org/files/uploads/Media_ContentAnalysis.pdf)

Macnamara, J. (2007) The fork in the road of media communication theory and practice.

Institute for Public Relations. Retrieved September 18, 2009 from [http://www.instituteforpr.com/about/measurement\\_commission/publications](http://www.instituteforpr.com/about/measurement_commission/publications)

Neuendorf, K. A. (2002) The content analysis guidebook. Thousand Oaks, CA: Sage.

Robinson, G. & Stewart, S. (2009 March 14) Is democracy written in disappearing ink?

*The Globe and Mail*. p. F1, F6, F7.

Seeger, M. W., Sellnow, T. L., & Ulmer, R. R. (2001). Public relations and crisis communication. In R. L. Heath (Ed.). Handbook of public relations (p.155-165). Thousand Oaks, CA: Sage.

Thousand Oaks, CA: Sage.

- Whitney, D. C., Sumpter, R. S. & McQuail, D. (2004). News media production – individuals, organizations and institutions. In J. Downing (Ed.). *The Sage handbook of media studies*. (p.394-410). Thousand Oaks, CA: Sage.
- Williams, S. D. (2009) Measuring “Company A”: A case study and critique of a news media content analysis program. Retrieved September 24, 2009 from [http://www.instituteforpr.org/research\\_single/measuring\\_company\\_a\\_case\\_study\\_and\\_critique/](http://www.instituteforpr.org/research_single/measuring_company_a_case_study_and_critique/)
- Wright, D. K. & Hinson, M. D. (2008) How blogs and social media are changing public relations and the way it is practiced (Electronic version) *Public Relations Journal*. 2 (2), 1-21.

## Footnotes

- 1 <http://webinfo.parl.gc.ca/MembersOfParliament/MainCabinetCompleteList.aspx?TimePeriod=Current&Language=E>
- 2 <http://www.canlii.org/ca/as/1999/c17/part1719.html>
- 3 <http://www.tbs-sct.gc.ca/est-pre/19971998/1RC97E.PDF>
- 4 [http://www.oup.com/oald-bin/web\\_getald7index1a.pl](http://www.oup.com/oald-bin/web_getald7index1a.pl)
- 5 <http://www.technorati.com/blogging/state-of-the-blogsphere/>
- 6 <http://www.sifry.com/alerts/archives/000245.html>



## **Appendix A:**

### **Daily Newspapers Monitored for this Study**

#### **Alberta**

Calgary Herald  
Calgary Sun  
Edmonton Sun  
Edmonton Journal  
Medicine Hat News  
Red Deer Advocate

#### **Manitoba**

Winnipeg Free Press  
Winnipeg Sun

#### **Saskatchewan**

Regina Leader-Post  
Saskatoon Star Phoenix  
Prince Albert Daily Herald

#### **British Columbia**

Prince George Citizen  
The Province  
Vancouver Sun  
Victoria Times-Colonist

#### **Yukon**

Whitehorse Star

#### **Northwest Territories**

Yellowknifer

#### **Nova Scotia**

Cape Breton Post  
Halifax Chronicle Herald  
Halifax Daily News  
Sunday Herald

#### **New Brunswick**

Federicton Daily Gleaner  
Moncton Times and Transcript  
New Brunswick Telegraph Journal  
Saint John Times Globe  
Saint John Telegraph Journal  
L'Acadie Nouvelle

**Newfoundland and Labrador**

St. John's Telegram

**Prince Edward Island (PEI)**

Charlottetown Guardian

Summerside Journal Pioneer

**Ontario**

Brantford Expositor

Cornwall Standard-Freeholder

Le Droit

Globe and Mail

National Post

Hamilton Spectator

Kingston Whig-Standard

Kitchener-Waterloo Record

London Free Press

MacLean's Magazine

Mississauga News (Wednesday, Friday, Sunday)

Niagara Falls Review

North Bay Nugget

Ottawa Citizen

Ottawa Sun

Owen Sound Sun Times

Peterborough Examiner

Sarnia Observer

Sault Star

St. Catharines Standard

Sudbury Star

Thunder Bay Chronicle Journal

Toronto Star

Toronto Sun

Welland Tribune

Windsor Star

**Quebec**

Le Devoir

**Le Journal de Montreal**

Montreal Gazette

Le Nouvellise (Trois-Rivières)

La Presse

Progrès-Dimanche

Le Quotidien

Sherbrooke Record

Le Soleil

La Tribune

La Voix de l'Est

## Annex B

### COMPLIANCE KEY MESSAGES

#### Compliance Approach

- Canada's tax system is based on voluntary compliance and self-assessment.
- Unpaid taxes mean fewer funds for health care, childcare, Employment Insurance, and pensions.
- Our fundamental approach is to encourage individuals and business to comply with their obligations without our intervention. We believe that promoting voluntary compliance is the most cost-effective way to administer taxes in Canada.
- The Canada Revenue Agency (CRA) relies on risk-assessment systems to target its compliance resources. This includes research to identify current and emerging risks to the tax base. Risks are prioritized based on their potential effect on the revenue base and on compliance in general.
- We aim to ensure that all Canadians meet their tax obligations.
- The CRA applies Canada's tax laws fairly.
- Tax cheating is against the law. If you cheat, there will be consequences.
- The CRA works hard to identify and correct non-compliance to keep the system fair for Canadians who comply with the tax laws.
- The CRA's Voluntary Disclosures Program is available to taxpayers who want to correct their tax affairs. If you make a full disclosure before we start any compliance action, you may only have to pay the taxes owing plus interest, but you will not have to pay penalties nor face prosecution in the courts.

#### Confidentiality and Administration

- Under the confidentiality provisions of the laws we administer, we cannot comment on the dealings with any individual or group.
- The Canada Revenue Agency (CRA) is committed to administering the *Income Tax Act* in a fair and impartial manner.
- As part of our regular activities, the CRA audits tax returns and claims for rebates to ensure that tax returns and claims are complete and accurate.
- Our objective is to ensure the fairness and integrity of our self-assessment tax system.

#### Taxpayer Compliance

- In Canada, the vast majority of individuals pay their taxes on time without intervention.
- The majority of Canadians understand the importance of paying their taxes in full and on time.
- In 2006-2007, over 94% of individuals paid their reported taxes on time.

### **Underground Economy – Small and Medium Enterprises Directorate**

- Participation in the underground economy hurts all Canadians.
- Participation in the underground economy means less money for programs and services for all Canadians.
- As a responsible taxpayer, you are paying your share on the income you earn. Those who participate in the underground economy are doing so at your expense.
- By discouraging underground economy activities, we are ensuring a level playing field for all businesses and taxpayers.
- In addition to its regular audit program, the Canada Revenue Agency (CRA) has over 1,000 employees who work full time on programs addressing the underground economy.
- The CRA has employees dedicated to finding unreported income and ensuring taxes are paid.
- We do not estimate the size of the underground economy. We choose to target our resources at addressing the underground economy.
- Our underground economy audits focus on identifying unreported income, for example, in the construction and hospitality industries where cash transactions are common.
- We use a mix of outreach, education, communication, and compliance actions in combating the underground economy.
- Community visits to businesses are part of our outreach program. The purpose of these visits is to provide information and answer any questions.
- The CRA works with other federal departments, provincial governments, professional organizations, and key industry groups to identify, prevent, and take action on the underground economy.
- We have a variety of tools at our disposal to detect those people who are not reporting all of their income, including spot visits by auditors, specialized computer software, lifestyle audits, fines, and court prosecutions.
- We dedicate a significant amount of resources to sectors of the economy where cash transactions are most common.
- Where non-compliance is discovered, appropriate action is taken.
- In 2006-2007, our employees completed over 20,000 audits on individuals suspected of participating in the underground economy.
- You must report all of your income, including cash received as tips and for casual work.

### **Consumer Education Messages – Small and Medium Enterprises Directorate**

- Paying under the table for a renovation or repair job is not a better deal. If you pay cash, you have no warranty, no recourse for poor workmanship, and the added risk of liability if an injury occurs on your property.
- Paying cash can be dangerous. Shoddy workmanship with no receipt means no recourse.
- If you pay under the table for a job and it's not up to scratch, you are out of pocket and out of luck.
- If your contractors are willing to cheat the government, will they short-change you too?

## **Enforcement – Enforcement and Disclosures Directorate**

- Paying taxes is the law.
- Tax cheating is a crime.
- The Canada Revenue Agency (CRA) often works closely with the Royal Canadian Mounted Police, provincial and local police, as well as other law enforcement agencies on tax cases as part of its responsibility to protect the integrity of the tax system.
- Willful failure to follow tax laws will result in serious consequences.
- Once caught, tax cheaters face penalties, court fines, and even jail—in addition to having to pay the taxes they tried to evade, plus interest.
- In 2006-2007, criminal investigations led to 245 convictions for tax evasion or fraud.
- In 2006-2007, courts across Canada imposed close to \$13.4 million in fines and more than 37 years of jail sentences.
- In 2006-2007, the CRA obtained convictions in 98% of cases prosecuted.

## **Investigation vs. Audit**

- An audit is an administrative procedure used to ensure that income is properly reported.
- An investigation is a penal procedure that is initiated when the Canada Revenue Agency has reasons to believe that fraud has been wilfully committed.

## **Registering, Filing, and Reporting**

- You cannot avoid paying the taxes you owe by not filing a tax return or by not reporting all of your income.
- The Canada Revenue Agency (CRA) undertakes responsible enforcement action, up to and including prosecution, when taxpayers do not respond to repeated requests to file their returns. Identifying unreported income is one of the first steps in enforcing the tax laws.
- The CRA uses a variety of tools to detect and prosecute those who are not filing returns or reporting all of their income.
- In 2006-2007, CRA obtained 800,000 returns from individuals and businesses that had not filed their income tax returns, representing \$2.4 billion in unreported income tax.
- In 2006-2007, the CRA identified an additional \$1 billion in unreported and unremitted goods and services tax/harmonized sales tax.
- Businesses are required to withhold and remit amounts for income tax, Canada Pension Plan (CPP), and Employment Insurance (EI) premiums from their salaried employees. In 2006-2007, the CRA identified and assessed \$1.3 billion in unreported and unremitted income tax, CPP, and EI premiums.

### **Excise and Tobacco – Legislative Policy and Regulatory Affairs Branch**

- The Canada Revenue Agency (CRA) licenses, audits, and performs on-going regulatory visits of all tobacco manufacturers to ensure compliance with Canada's tobacco tax legislation.
- We may pursue a number of enforcement options to deal with non-compliance, including the suspension or cancellation of tobacco licences, imposing fines, or laying charges.
- The CRA is implementing a tobacco compliance strategy that includes a new tobacco stamp with security features to enable authorities to better identify contraband products.
- We work in partnership with the provinces, the Royal Canadian Mounted Police, and the Canada Border Services Agency to assess and deal with issues of contraband and non-compliance.
- We have increased audits of tobacco manufacturers to improve the ability to identify and combat illicit production and under-reporting of tobacco products.
- The CRA is currently implementing an initiative to enhance the monitoring and compliance of sources of raw leaf tobacco. This will help ensure that raw leaf tobacco does not contribute to the illicit manufacturing of tobacco products.

### **Informed Donors – Legislative Policy and Regulatory Affairs Branch**

- The Canada Revenue Agency works to support charitable giving in Canada by helping donors make informed choices about the charities they support, and warning Canadians about organizations that are not following the tax rules.
- We monitor registered charities to help ensure that charities remain compliant. In 2006-2007, 847 charities were selected for audit.
- When charitable status is revoked, an organization can no longer issue official tax receipts for the donations it receives.
- We publish the fact that charitable status has been revoked on our Web site, so that potential donors are aware that the charity can no longer issue official tax receipts.
- Revoking charitable status is a serious step that is generally only used in cases of serious non-compliance.

### **Proceeds of Crime – Enforcement and Disclosures Directorate**

- The proceeds of crime are taxable.
- Law enforcement agencies agree that an effective method of reducing crime is to reduce the profits of criminal activity. The Canada Revenue Agency (CRA) has an important tool to do this through its Special Enforcement Program.
- The CRA undertakes audits and enforcement activities on suspected members of organized crime and other criminals with a view to reducing the accumulation of unreported wealth from their illegal activities.
- The CRA is a full partner in the Integrated Proceeds of Crime Unit, led by the Royal Canadian Mounted Police, which is located in 12 cities across Canada.

2006-2007, the CRA conducted 1,342 audits of individuals suspected of earning income from illegal activities.

### **Scientific Research and Experimental Development**

- The Scientific Research and Experimental Development (SR&ED) Program is a tax incentive program designed to encourage research and development in Canada.
- Under this program, businesses with qualifying SR&ED expenses may receive refunds, tax credits, or both.
- Businesses claiming the credit are subject to scientific and financial reviews by the Canada Revenue Agency to ensure that all eligibility requirements are met.
- Annually, the program provides over \$4 billion of tax credits to over 18,000 claimants.

### **Aggressive Tax Planning – International and Large Business Directorate**

- Taxpayers are entitled to structure their affairs in order to pay the least amount of tax permissible within the object and spirit of the *Income Tax Act*.
- The Canada Revenue Agency (CRA) is firmly committed to preserving the integrity of Canada's tax base.
- The CRA challenges structures that are designed to intentionally avoid reporting and paying tax on world income.
- We also work with the Department of Finance Canada to suggest changes to the law to address abusive schemes.
- Canada plays a strong role in international efforts to deter abusive tax schemes.
- We have significantly strengthened our international audit and compliance programs aimed at abusive schemes that use offshore jurisdictions.
- With our international counterparts, we are uncovering tax arrangements that offend the very nature of the tax system, and are actively addressing them.
- The CRA is working internationally with the Organisation for Economic Cooperation and Development and with tax treaty partners to identify and challenge the abusive use of tax havens.
- The CRA leads the Seven Country Tax Haven Working Group. We exchange information, share best practices and training material, share leads in accordance with our respective legislation, and we collaborate on compliance actions.
- The CRA participates in the Joint International Tax Shelter Information Centre (JITSIC), along with Australia, the United Kingdom, the United States, and Japan.
- Our partnership in the JITSIC enhances our ability to identify and deal with abusive tax schemes and with those who promote them. It also provides earlier insight into schemes that are developed abroad but marketed in Canada.
- We are increasing our compliance activities to address aggressive inter-provincial tax planning.

### **Voluntary Disclosures Program – Enforcement and Disclosures Directorate**

- The Voluntary Disclosures Program of the Canada Revenue Agency (CRA) allows people to come forward and correct their tax information and avoid being penalized or prosecuted.
- Coming clean before compliance or enforcement actions are initiated by the CRA can save taxpayers from having to go through an audit or investigation, as well as avoiding penalties, fines, and even jail.
- Taxpayers who make a voluntary disclosure in accordance with the program conditions are required to pay only the amounts owing plus interest; they will not have to pay penalties nor face prosecution in the courts.
- In 2006-2007, the CRA processed 8,244 voluntary disclosures, generating related assessments totalling over \$525 million in taxes.

### **Audit – Small and Medium Enterprises Directorate**

- The Canada Revenue Agency (CRA) uses sophisticated risk management techniques to analyze every tax return filed to determine whether a review of an individual's taxable income or benefits is warranted.
- The CRA has a variety of tools at its disposal to detect and deter those who are not reporting all of their income, including spot visits by auditors, lifestyle audits, fines, and court prosecutions.
- If individuals appear to be living beyond their means, we can undertake a "lifestyle audit" to determine if they are breaking Canada's tax laws. These types of audits are normally undertaken in cases where it appears that taxpayers are living a lifestyle that is not consistent with the income they report.
- We work with industry sectors and professional associations to improve our programs or to develop new ones to better assist taxpayers in complying with the various laws we administer.
- In 2006-2007, the CRA conducted close to 400,000 audits, examinations, and reviews, and completed 6,400 books and records reviews to ensure businesses were keeping proper books and records.

### **Tax Shelters – International and Large Business Directorate**

- The Canada Revenue Agency (CRA) reviews tax shelters and carries out audits based on objective risk criteria.
- We conduct reviews and audits to ensure that all taxpayers pay their taxes. This provides a level playing field.
- The CRA periodically issues fact sheets and tax alerts to advise investors that there are potential risks and problems associated with some tax shelters.
- We strongly suggest that taxpayers seek advice from an independent tax professional before participating in any aggressive or high-risk activity where all or significantly all of the return on investment is derived from a tax benefit. Independent means advice from a tax professional that is not connected to the scheme or promoter.
- If it sounds too good to be true, it probably is.



### **Leads and Assistance Program – Enforcement and Disclosures Directorate**

- When Canadians are suspected of not meeting their tax obligations, the Canada Revenue Agency (CRA) is often contacted by taxpayers, enforcement agencies, and foreign and domestic tax authorities.
- Last year, more than 22,000 leads were received and reviewed by the CRA.
- Anyone with information about tax cheating is encouraged to call one of our regional call centres at their toll-free number to report suspected cases of alleged tax improprieties.
- The CRA takes any allegation very seriously and reviews the information to ensure compliance with the provisions of the Acts it administers.