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2018-2019 CRA Annual Corporate Research Qualitative Findings and Methodological Report

Executive Summary

Prepared for Canada Revenue Agency

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Canada 

2018-2019 CRA Annual Corporate Research - Qualitative Findings and Methodological Report Executive Summary

Prepared for the Canada Revenue Agency by Environics Research
March 2019

The Canada Revenue Agency (CRA) commissioned Environics Research to conduct its Annual Corporate Research. This research is used by the CRA to gauge a number of factors, including trust and satisfaction with the CRA, and contextualize other information received by the CRA.

Environics conducted three phases of research for this assignment:

- A telephone survey with 1,600 adult residents of Canada, from January 23 to February 16, 2019.
- An online survey with 318 decision-makers at small and medium enterprises and 303 tax intermediaries, from January 24 to 30, 2019.
- A series of eight in-person focus groups with members of the general population, and six telephone groups with decision-makers at small and medium enterprises, and tax intermediaries between January 31 and February 14, 2019.

Cette publication est aussi disponible en français sous le titre : Recherche d'entreprise annuelle de l'ARC de 2018-2019 - Constatations qualitatives et rapport méthodologique.

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Executive summary

Background and objectives

Environics Research Group was commissioned by the Canada Revenue Agency (CRA) to conduct its Annual Corporate Research. This research is used by the CRA to gauge a number of factors, including trust and satisfaction with the CRA, and contextualize other information received by the CRA. The findings from this research will be used for CRA's Annual Report to Parliament, strategic planning exercises, and internal analysis of public opinion. In addition, the research will be used for other corporate reporting initiatives, including the Board of Management Oversight Framework, the Commissioner's Annual Reports to the Governments of the Provinces and Territories, among others.

Specifically, this research addressed the following objectives:

- Overall perceptions of the CRA;
- Experience with income tax filing;
- Perceptions of contacts and dealings with the CRA; and
- Methods of contact.

Methodology

Environics conducted qualitative and quantitative research with the general population, tax intermediaries and decision-makers at small and medium enterprises (SMEs) to support the CRA's research objectives. The following definitions were used in the research:

- Tax intermediary: A person who works with small business clients (<100 employees) on tax-related or payroll matters
- SME: A decision-maker or involved in decisions on tax-related matters, payroll, GST/HST preparation, or bookkeeping at small and medium enterprises (<100 employees).

Qualitative phase

Environics Research conducted a series of eight in-person focus groups with members of the general population, and six telephone groups with decision-makers at small and medium enterprises and tax intermediaries between January 31 and February 14, 2019. Two general population groups were conducted in each of Mississauga, Calgary, Montreal (French) and Halifax. Five telephone groups were conducted with SMEs in Eastern Canada (2 groups), Western Canada (2 groups) and Quebec (French; 1 group), and one phone group was held with tax intermediaries in Quebec (French).

Statement of limitations: Qualitative research provides insight into the range of opinions held within a population, rather than the weights of the opinions, as would be measured in a quantitative study. The results of this type of research should be viewed as indicative rather than projectable.

Quantitative phase

Environics conducted a telephone survey with 1,600 adult residents of Canada, from January 23 to February 16, 2019. Data were weighted by region, age and gender to ensure the final sample was representative of the Canadian adult population according to the most recent Census. A sample of this size yields results which can be considered accurate to within +/- 2.4 percentage points, 19 times out of 20. Margins of error are larger for subgroups of the population.

In addition, Environics conducted an online survey with 318 decision-makers at small and medium enterprises and 303 tax intermediaries, from January 24 to 30, 2019. Environics obtained the business sample from our trusted partner, Dynata (previously Research Now). As the sample was sourced from an online panel, it represents a non-probability sample and no margin of error can be applied to the results.

Contract value

The total contract value for this research was \$174,410.30 (HST included).

Key findings – qualitative phase: general public

- The CRA is clearly associated with tax collection, as well as managing GST/HST. What participants most want from the Agency is speed and trustworthiness/reliability, especially when interacting by phone. Empathy is also important to some, particularly those who have had problems with their taxes or made errors in the past. Ease of use is especially important when using the CRA website.
- The CRA is meeting expectations related to trust, as participants say they trust the Agency implicitly. Participants believe the CRA is performing its mandate well: it is efficient in collecting taxes and processing returns and has made a strong transition to electronic and online tools in support of further efficiencies. Participants are comfortable with electronic filing and agree that existing payment methods meet their needs.
- The CRA's biggest shortcoming is perceived to be client service, especially long wait times for phone service. This is important because they call the CRA when they feel the matter is complicated, unique, personal or urgent, and can't find answers on the website. That is, a matter requiring a phone call is a higher priority for these participants and considered deserving of greater responsiveness from the CRA.
 - Participants are complimentary of customer service staff once they get through on the phone, describing agents as courteous, professional and competent.
 - Ideas to address client service challenges include: an online chat tool, the ability to leave a message and a callback number and expanding call centre hours. Given that they are using the phone service when a matter is more serious or complex, participants do not consider an automated phone service to be a solution and say they would not use it.
- The CRA website receives mixed reviews: some say information is easy to locate, easy to understand and up to date, while others say the site is dense and difficult to navigate. My Account users are generally positive about the tool and find it easy to use and practical. The main difficulty with My Account appears to be with the sign-up process, which is a barrier to having more Canadians use it. Awareness of CRA's other online tools and services is negligible.

- The tax preparation and filing process itself is typically associated with negative sentiments (e.g., dread, stress). Participants attribute this to having to get themselves organized for a process that is high priority but only happens infrequently (once a year), rather than to any concerns about having to contend with CRA or its customer service.
 - Participants who use tax intermediaries do so because it is easier and more efficient for them, to avoid mistakes (for which consequences are severe), and to maximize the credits to which they are entitled.
 - The main suggestion for how CRA can help ease some of this negative sentiment is to make it easier for Canadians to prepare their taxes (for example, providing an online repository of tax-related forms and receipts; generating pre-completed tax forms with all the information CRA receives directly).
- Ultimately, participants would like the Agency to become more proactive (e.g., in helping Canadians understand tax credits they are entitled to), more solution-oriented, and more focused on service. The idea of being treated as a “client”, rather than as a “taxpayer” or “a number”, is appealing to many.

Key findings – qualitative phase: business and tax intermediary

- As with the general public, SMEs and intermediaries prioritize speed and trustworthiness/reliability when they interact with the Agency, especially by phone. For these segments, trust means that the information provided by phone is both reliable (the correct answer) and consistent (the same answer each time). Also consistent with the general public, ease of use is important for the website, and empathy around problems or errors.
- SMEs and intermediaries express varying opinions about the CRA overall, which are largely influenced by any direct dealings with the Agency. While online services are seen as a growing strength for the Agency, the CRA’s client services receive mixed reviews. Although agents are considered professional and courteous, the wait times to reach one are considered unacceptable. Intermediaries also tend to be more critical of the expertise of agents.
 - As with the general public, these segments have no interest in the automated phone service as a solution for long wait times, which most have found frustrating when they have used it in the past.
- The CRA website and My Business Account/Represent a Client are considered valuable resources for business owners and intermediaries. Outside of Netfile/e-File, there is little familiarity with and use of other online services. There was no awareness of CRA’s YouTube channel, and while there is interest in instructional videos, participants would want assurance that they come from a legitimate source.
- There are mixed views about any future requirement obliging all companies, irrespective of size, to obtain a registered payroll business number. Some saw this as burdensome and bureaucratic, but participants were more comfortable when told it would involve an extension of their Business Number.
- SMEs are not familiar with T4As even though they all pay fees for services to other businesses. Intermediaries are familiar with T4As but do not see a need for them when payments are supported by invoices; they are also opposed to making them a requirement because of the additional burden and bureaucracy involved.

- Overall, business owners and especially intermediaries feel they cannot afford to wait for service and should have more direct access to agents with greater expertise. Intermediaries recognize and appreciate improvements to any aspect of their interaction with the CRA that allows them to save time and be self-sufficient. They consider themselves experts and want to be treated that way by the CRA.

Political neutrality statement and contact information

I hereby certify as a Senior Officer of Environics Research Group that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not contain any reference to electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leader.



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