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du Canada

Canada Revenue Agency Digital Acceleration Research Final Report

Prepared for the Canada Revenue Agency

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Canada Revenue Agency Digital Acceleration Research

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July 2021

This public opinion research report presents the results of the telephone survey conducted by Earnscliffe Strategy Group on behalf of the Canada Revenue Agency. The research was conducted in May and June 2021.

Cette publication est aussi disponible en français sous le titre : Recherche sur l'accélération numérique de l'Agence du revenu du Canada.

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Executive Summary

Earnscliffe Strategy Group (Earnscliffe) is pleased to present this report to the Canada Revenue Agency (CRA) summarizing the results of the quantitative research aimed at better understanding the habits and behaviours of paper-tax filers as well as the likelihood of them switching to file online in the future.

Background and Research Objectives

Given the current environment and as more Canadians make use of online services, CRA wished to take the opportunity to reach out to Canadians to determine their communication channel preferences when interacting with the Agency. There is still a sizeable proportion of taxpayers who are conducting their business with the CRA through paper, rather than taking advantage of digital services which are much more timely and efficient. In fact, CRA spent \$6,947,903 and mailed out 1,399,705 T1 packages in 2019-2020. With this information in mind, the objectives of the research were to better understand why paper filers are still choosing to conduct business and meet their tax obligations using paper and better understand what the barriers and challenges are to moving to digital processes.

This research will help CRA meet the expectations and the needs of Canadians as it relates to service delivery and digital offerings. More specifically, research results will provide CRA with a better understanding of the barriers to using online services that exist with paper filers. For those who do not have barriers to online, but prefer paper-based processes, the research will demonstrate which particular processes paper-users are most agreeable to switch to online and which are not. This can help determine where support, outreach and education are most required.

The total contract value of this research project was \$130,060.74 including HST.

Research Methodology

To meet the research objectives, Earnscliffe conducted a telephone survey of 2,000 Canadians who did not file their 2019 personal income taxes online, using a list of 697,715 individuals provided by CRA. The survey was conducted in collaboration with our sub-contractor, Léger. The telephone survey was conducted from Léger's centralized call-centre using their state-of-the-art Computer Aided Telephone Interviewing (CATI) system. The survey was conducted from May 11 to June 2, 2021, and the average length of interview was 16 minutes. The margin of error for this sample of 2,000 Canadians who filed their 2019 return by paper/mail is +/-2.19%, 19 times of out 20.

The final data was weighted to reflect the demographic composition (age and gender within region) of the list of paper tax filers provided by CRA.

The key findings from the research are presented below.

Key Findings

- About three-quarters (74%) of respondents last submitted their personal income taxes by mail. Over one-in-five (23%) claim they last submitted them online.

- When it comes to how they received forms needed for the preparation of their taxes, most (73%) had forms mailed to them.
- The vast majority (79%) are satisfied with the way in which they file their personal income taxes.
- Just over half (54%) prepared their last income taxes on their own, while the other 46% received help.
 - 62% of those who submitted their last returns by paper prepared them on their own, compared to 31% of those who submitted online.
 - Among those who did receive help, 61% say the person who helped them also submitted their taxes for them.
- Half (50%) have never visited the tax pages of Canada.ca or the CRA website for information on tax-related matters. The other half say they have (49%).
 - About half (49%) of all respondents have registered with CRA's MyAccount online services. Amongst those who submitted their last returns online, 62% report having registered, compared to 45% who last submitted by mail.
 - Most (83%) of those who file their taxes by mail have never submitted a form electronically to the CRA.
- Over half have the hardware they would need to file electronically. Three-quarters have a computer (74%). About two-thirds have high speed internet (69%) and a tablet or mobile device (65%). Over half (57%) say they have a printer.
- About half (51%) say they use online banking services frequently, while 17% say they use it sometimes or rarely. A third (31%) do not use online banking at all.
 - In contrast, about a third (30%) say they bank in person frequently, while more than half (59%) say they do it sometimes or rarely. Very few (9%) do not bank in-person at all.
- One-in-five (20%) say they make online purchases frequently. Slightly less than half (45%) do so sometimes or rarely and over a third (34%) never make online purchases.
- Those who submit their taxes by mail most often say they use paper rather than filing electronically because it is simply how they prefer to do it (39%) (e.g., they do it out of habit, because it's what they are comfortable with it, they like it, etc.).
 - Just 13% cite security issues and slightly fewer say they do not have the right equipment, that the paper method is easier or that it is the preferred method of the person who does their taxes (all 11%).
- The most important factors influencing why respondents file by paper instead of online are disinterest in filing online (65% major factor or a factor), concern about privacy or security risk (60%), not having the software (57%) and not feeling confident in their ability to file online (55%), and that it seems too stressful (51%) or too difficult (50%).
 - Under half (41%) say that concern over cost is a major factor.
 - Concerns about complexity (38%), forms getting lost (39%) and not having an internet connection (29%) are less often noted as factors preventing respondents from filing online.

- About a third (32%) of those who reported last filing by paper say it is likely they would switch to filing online. This segment, which may represent the most promising target for immediate conversion, represents a quarter (25%) of the total sample of paper/online filers.
- The things that would make current paper filers most likely or certain to switch to filing online are:
 - If CRA would pre-fill their information (43% more likely/certain to switch).
 - If using CRA MyAccount was easy (43% more likely/certain to switch)
 - If they knew all forms could be submitted electronically (39% more likely/certain to switch).
- Only about a third of current paper filers say that having help from someone else (35%) and if they could be certain that their forms were received by CRA (35%) would make them certain or more likely to file electronically.
- Over two-thirds (67%) of current paper filers say that the ability to submit forms via their online banking website would not make them any more likely to switch.
- Analysis of those likely to switch to filing electronically demonstrates that:
 - The most significant barriers are: not having the software they need (58%), concerns about privacy (51%), lack of interest (50%) and lack of confidence in their ability to do it (50%). The most influential factors that would make them certain or more likely to file online are knowing that My Account is easy to use (72%), that all their forms can be filled out electronically (69%) and CRA's ability to pre-fill returns (67%).

Political Neutrality Statement and Contact Information

Research Firm:

Earnscliffe Strategy Group Inc. (Earnscliffe)
 Contract Number: 46637-227501/001/CY
 Contract award date: March 31, 2021

I hereby certify as a Representative of Earnscliffe Strategy Group that the final 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 include information on electoral voting intentions, political party preferences, standings with the electorate or ratings of the performance of a political party or its leaders.

Signed:

Date: July 16, 2021



Doug Anderson
 Principal, Earnscliffe

Introduction

Earnscliffe Strategy Group (Earnscliffe) is pleased to present this report to the Canada Revenue Agency (CRA) summarizing the results of the quantitative research aimed at better understanding the habits and behaviours of paper-tax filers as well as the likelihood of them switching to file online in the future.

Given the current environment and as more Canadians make use of online services, the CRA wished to take the opportunity to reach out to Canadians to determine their channel preferences when interacting with the Agency. There is still a sizeable proportion of taxpayers who are conducting their business with the CRA through paper, rather than taking advantage of digital services which are much more timely and efficient. In fact, CRA spent \$6,947,903 and mailed out 1,399,705 T1 packages in 2019-2020.

The objectives of the research were to better understand why paper filers are still choosing to conduct business and meet their tax obligations using paper and to learn more about the barriers and challenges to moving to digital processes. More specifically, the objectives of the research included:

- Identifying the habits and behaviours of paper users, including:
 - Why these tax-filers are still choosing to continue to use the paper channel despite having other options available?
 - What their behaviours are when it comes to other online activities such as banking, shopping, etc.?
 - What the barriers are for choosing other channels for conducting business with the CRA and specifically, to digital adoption?
- Providing some insight on the future state, including:
 - How these individuals would like/prefer to interact with the CRA?
 - What the likelihood is of digital adoption in the future?
 - Whether there are any possible incentives to stimulate a move to digital services or possibly use other services that meet the taxpayers needs and are more cost efficient to the CRA?

This research will help CRA meet the expectations and the needs of Canadians as it relates to service delivery and digital offerings. Research results will also provide CRA with a better understanding of the barriers to using online services that exist with paper filers. For those who do not have barriers to online, but prefer paper-based processes, the research will demonstrate which particular processes paper-users are most agreeable to switch to online and which are not. This can help determine where support, outreach and education are most required.

To meet the research objectives, Earnscliffe conducted a telephone survey of 2,000 Canadians who did not file their 2019 income taxes online, using a list of 697,715 Canadians provided by CRA. The survey was conducted in collaboration with our sub-contractor, Leger. The telephone survey was conducted from Léger's centralized call-centre using their state of the art Computer Aided Telephone Interviewing (CATI) system. The survey was conducted from May 11 to June 2, 2021, and the average length of interview was 16 minutes.

Provincial/territorial quotas were set as outlined in the table below, based on the distribution of paper tax filers by province from the CRA list. The final data was weighted to reflect the demographic composition (age and gender within region) of the list of paper tax filers provided by CRA.

Table 1. Provincial/Territorial Quotas

Province/Territory	Percentage	Sample Size
Newfoundland and Labrador	3.01%	61
Prince Edward Island	.44%	9
Nova Scotia	3.62%	72
New Brunswick	2.99%	61
Quebec	34.72%	694
Ontario	28.07%	561
Manitoba	3.08%	62
Saskatchewan	2.77%	55
Alberta	8.67%	173
British Columbia	12.47%	249
Nunavut	.03%	1
Northwest Territories	.05%	1
Yukon	.07%	1
Total	100%	2,000

The detailed findings from this research are presented in subsequent sections of this report. Appended to this report are the survey methodology report, questionnaire, and data tables (presented under a separate cover).

Detailed Findings

This research report is divided into three sections. The first deals with respondents’ current behaviours related to filing their personal income taxes and interacting with CRA. The second analyzes paper filers’ barriers to filing electronically and factors that might make them more likely to switch how they file. The final sections presents a segmentation analysis based on the likelihood of switching to electronic filing.

Current Behaviours

Three-quarters (74%) of respondents filed their last personal income tax return by mail, while almost a quarter (23%) filed online. As noted earlier, the survey was conducted using a list of paper-filers from 2019. It is important for context to note that at the time the survey was conducted, many would have likely filed their 2020 returns and, based on our findings, it seems some switched to filing online.

The older the respondent, the more likely they are to file by mail. For example, well over three-quarters of those 75+ (83%) and 65-74 (81%) file by mail, a significantly greater percentage than those 18-34 (42%). Other significant demographic differences include:

- Those born in Canada (76%) are more likely to file by mail than those born abroad (63%).
- White respondents (77%) are more likely to file by mail than racialized respondents (59%).

Table 2. How were your last personal income taxes sent in?

Base: Total sample (n=2,000)

Filing Method	Percent Selected
By mail	74%
Online (INCLUDES EFILE AND NETFILE)	23%
Other	2%
Don't know	2%

When it comes to the ways in which respondents get the forms they need for preparing their personal income taxes, the vast majority (73%) have at least one form mailed to them. This percentage is even higher for mail filers (81%) and lower for those who file online (51%). Significantly fewer print forms off (14%), or pick up a tax package themselves (9%), or have a tax professional (13%) or friend/family member (6%) get them on their behalf.

Analysis by age shows clear differences in how younger vs older age groups access forms. Over three-quarters of those 55-64 (78%), 65-74 (79%) and 75+ (79%) have forms mailed to them, a significantly greater proportion than among those 18-34 (47%) and 35-54 (68%). In contrast, younger paper filers are more likely to have received their forms from a tax professional or family member than older filers. A quarter (25%) of those 18-34 and one-fifth (20%) of those 35-54 receive forms from a tax professional, compared to 13% of those 55-64 and just 8% of those 65-74 and 7% of those 75+. Those 18-34 are also more likely to have a family member who provided them with their forms (14%) compared to all other age groups.

Table 3. Which of the following ways, if any, did you get any forms needed for preparing your last personal income taxes?

Base: Total sample (n=2,000)

Methods of Accessing Forms	Percent Selected
I had a form or forms mailed to me	73%
I printed off at least one form	14%
A tax professional or accountant provided me with forms or got them on my behalf	13%
I picked up a tax package	9%
A friend or family member provided me with forms or got them on my behalf	6%
I never personally accessed or used any forms	3%
Don't know + Prefer not to say	2%

Most (79%) are satisfied with the way in which they go about preparing and submitting their personal income taxes. Just 9% are dissatisfied. Current mail filers are just as satisfied (80%) as those who file electronically (80%). Women are more satisfied overall than men (82% vs 77%).

Table 4. Generally speaking, how satisfied are you with the way in which you go about preparing and submitting your personal income taxes to the Canada Revenue Agency?

Base: Total sample (n=2,000)

Level of Satisfaction with Current Method of Filing	Percent Selected
Very dissatisfied	3%
Somewhat dissatisfied	5%
Neither satisfied nor dissatisfied	9%
Somewhat satisfied	34%
Very satisfied	45%
Don't know + Prefer not to say	3%

Just over half (54%) prepared their last personal income taxes on their own, while 46% had help. Of note, those 18-34 (67%) and 35-54 (57%) are more likely than older cohorts to have received help. Quebeckers are more likely to have received help (58%) than respondents from other regions. Indigenous (70%) and racialized (57%) respondents are more likely to have received help than white respondents (43%). Also worth noting, over two-thirds (69%) of those with a university degree and more than half (59%) of those with a college degree say they prepared their own taxes, significantly more than those with a high school education or less (37%).

Table 5. Did you prepare your last personal income taxes on your own, or did you receive help from someone else?

Base: Total sample (n=2,000)

Receiving vs not Receiving Help with Taxes	Percent Selected
Prepared on my own	54%
Received help	46%
Don't know + Prefer not to say	0%

Among those who received help with their personal income taxes, six in ten respondents (61%) say the person who helped them also submitted them. Among those who filed their last return online, 91% say the person who helped them also submitted them, compared to 42% who filed by paper. Almost three-quarters (73%) of those 18-34 say that the individual who helped them also submitted for them, significantly more than among those 35-54 (57%) and 55-64 (57%).

Table 6. Did the person who provided you with help preparing your last personal income taxes also send in your forms to Canada Revenue Agency for you?

Base: Received help preparing person income taxes (n=876)

Did the person who helped you prepare your taxes also submit them?	Percent Selected
Yes	61%
No, I sent them in myself	38%
Don't know + Prefer not to say	1%

About half (49%) have visited the tax pages of the Canada.ca or CRA website to search for information on tax-related matters. Over half of respondents 18-34 (61%), 35-54 (56%) and 55-64 (52%) have visited these pages, significantly more than those 65-74 (45%) and 75+ (36%). More affluent respondents are more likely than those in the lowest income brackets to have visited these pages (e.g., 73% of those with a household income of \$150K+ vs 26% of those with a household income of less than \$20K and 37% of those with an income between \$20K and \$40K). Similarly, more educated respondents are more likely to have visited these pages (70% of those with a university degree and 50% of those with a college degree, vs. just 30% of those with high school or less).

Table 7. Have you ever visited the tax pages of either the Canada.ca or Canada Revenue Agency website to search for information on tax-related matters?

Base: Total sample (n=2,000)

Visiting CRA website	Percent Selected
Yes	49%
No	50%
Don't know + Prefer not to say	1%

Just 16% of those who did not submit their last taxes electronically report ever having personally submitted federal tax forms online or electronically. Respondents 75+ are the least likely to have done so (9%) among all age groups, while those 18-34 are the most likely (21%). Again, respondents with a household income of \$150K+ (27%) are most likely to have submitted a tax form online, particularly compared to those with incomes under \$20K (13%) and between \$20K and \$40K (15%). Those with a university (19%) or college degree (18%) are also more likely than those with a high school education or less (12%) to have submitted a form electronically.

Table 8. Have you personally ever submitted federal tax forms online or electronically?

Base: Did not submit last taxes online (n=1,577)

History Submitting Forms Electronically	Percent Selected
Yes, I have submitted a form to CRA online or electronically	16%

No, I have never submitted a form to CRA online or electronically	83%
Don't know + Prefer not to say	1%

About half (49%) have registered with CRA's My Account online service. Registration is higher among those who filed their most recent personal income taxes online (62%) than among paper filers (45%).

Registration is significantly higher among those 18-34 (68%) and 35-54 (64%) than among those 55-64 (50%), 65-74 (43%) and 75+ (28%). Those with higher household incomes are also more likely to be registered than those in lower income brackets – roughly two-thirds of those with household incomes exceeding \$60K have registered, compared to 32% of those with an income less than \$20K and 37% of those with an income between \$20K and \$40K. Similarly, those with higher levels of education are more likely to have registered. Almost two-thirds (64%) of those with a university degree have registered, as have half (50%) of those with a college degree, compared to 36% among those with high school education or less. Those born outside Canada are more likely to be registered (56%) than those born in Canada (48%).

Table 9. Have you ever registered with CRA's My Account online service?

Base: Total sample (n=2,000)

Registration for CRA's My Account Services	Percent Selected
Yes	49%
No	48%
Don't know + Prefer not to say	3%

About three-quarters (74%) have access to a computer, while two-thirds have high-speed internet (69%) or a tablet/mobile device (65%). Fewer, though still over half (57%) have a printer. Compared to those who reported filing their last returns online, those who file by mail are less likely to have access to high-speed internet (68% vs 78%) or a tablet/mobile device (63% vs 75%) but still well over half do have access to these things. Access to resources that could be used to file electronically among the sample of 2019 paper filers appears to be less widespread than among the Canadian population as a whole. While it does not offer exact comparative data, the Canadian Radio-television and Telecommunications Commission's 2019 Communications Monitoring Report suggests that the level of access among Canadian households is higher. Results showed that 84% of Canadian households have a home computer, 89% have a home internet subscription and 90% have mobile phone(s).

Access to each of these resources that could be used to file taxes electronically varies by age. Over 80% of those 18-34 and 35-54 have access to a computer, mobile device and high-speed internet. Those 55-64 and 65-74 are slightly less well-equipped, but still about three quarters of those 55-64 (74%) and 65-74 (71%) have access to a computer. Fewer have access to high-speed internet (73% and 63% respectively) and a mobile device (65% and 59%). The 75+ age category is the group most lacking the technology and equipment needed to file electronically, though over half do have access to a computer (60%) and high-speed internet (52%).

Table 10. Which of the following do you have?

Base: Total sample (n=2,000), last filed by paper (n=1511), last filed online (n=423)

Devices that Respondents Have at Home	Percent Selected	Last filed by paper	Last filed online
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A desktop or laptop computer or easy access to one at your household	74%	86%	92%
High speed internet	69%	74%	77%
A tablet, or mobile device such as a smartphone	65%	68%	78%
A printer	57%	63%	75%
None of the above	12%	58%	57%
Prefer not to say	0%	13%	7%
Don't know	0%	0%	0%

One objective of the research was to better understand paper filers' habits regarding other online transactions, particularly online banking and online purchasing.

When it comes to frequency of online banking, respondents are slightly polarized. Half (51%) of all respondents say they online bank frequently, while 31% say they never do it. Results among paper filers are similar - a third (33%) of paper filers never bank online while 49% do so frequently. Those who reported last filing electronically are more likely to bank online frequently (58%) and less likely to say they never bank online (24%).

Once again, there are demographic differences when it comes to online banking:

- Over a third of those 18-34 (71%) and 35-54 (67%) use online banking frequently, compared to 49% of those 55-64, 44% of those 65-74 and 34% of those 75+.
- The lower a respondent's household income, the less likely they are to use online banking. In fact, almost half (48%) of those with an income of less than \$20K never use online banking, and 42% of those with a household income of between \$20K and \$40K never use it. In contrast, about two-thirds or more of those with an income of \$60K-\$80K (64%), \$80k-\$150K (71%) and over \$150K (71%) use online banking frequently.
- Those with a lower level of education are less likely to online bank frequently – 37% of those with a high school degree vs 53% of those with a college degree and 65% of those with a university degree.

The majority bank in-person – 30% do so frequently, 30% do so sometimes. About three-in-ten (29%) say they rarely bank in person and just 9% never bank in-person (compared to 31% for online banking). Of note, those who file by mail are more likely to say they bank in-person frequently (32%) than those who filed their last return electronically (25%).

Again, there are age differences when it comes to the frequency of in-person banking, but they are less pronounced than for online banking. For example, 20% of those 18-34 bank in person frequently, significantly lower than the 38% of those 75+ who bank in-person frequently.

When it comes to making purchases online, behaviour is more evenly divided. Slightly less than half (45%) say they make online purchases frequently or sometimes, while just over half (54%) do so only rarely or never. Electronic filers (29%) are more likely to frequently make online purchases, compared to mail filers (17%). Over a third (36%) of paper filers never shop online, compared to 29% of electronic filers.

Frequency of online purchasing varies depending on a variety of demographic factors:

- Among the youngest respondents, three-quarters (77%) shop online frequently or sometimes, compared to just 23% of those 75+.
- Respondents with higher incomes and education levels are more likely to make online purchases than those with relatively lower incomes and education levels. For example, 65% of those with a household income of \$150K or more shop online, compared to 29% of those with an income less than \$20K, and 32% among those with an income between \$20K and \$40k.
- Over half (59%) of those with a university education shop online frequently, versus just 31% of those with a high school level education or less.

Table 11. For each of the following, please tell me whether this is something you do frequently, sometimes, rarely or if it is something you don't do.

Base: Total sample (n=2,000)

Banking and/or online purchasing activity	Do not do this	Rarely	Sometimes	Frequently	Don't know + Prefer not to say
Online banking	31%	5%	11%	51%	1%
Banking in-person or at a branch	9%	29%	30%	30%	2%
Make online purchases of any kind	34%	20%	25%	20%	1%

Slightly less than one-in-five (17%) have applied for the CERB, CRB or CESB since they launched. The percentage who have applied is significantly higher among those 18-34 (40%) compared to every other age group. It is also higher in BC than in other regions (27%) and among the self-employed (42%) compared to other workers.

Worth noting, the percentage of respondents who applied for the benefits among those with incomes less than \$80K varies little by income level. Among those with incomes of less than \$20K, 17% applied, same percentage as among those with an income between \$40-\$60K. One-in-five (21%) of those with an income of \$20K-\$40K and \$60K to \$80K have applied. Fewer with an income between \$80K-\$150K (15%) and \$150K+ (8%) have applied for pandemic benefits.

Table 12. Since they were launched in 2020, have you ever registered online for either the Canada Emergency Response Benefit (CERB), the Canada Recovery Benefit (CRB) or the Canada Emergency Student Benefit (CESB) ...?

Base: Total sample (n=2,000)

Registration with CERB, CRB or CESB	Percent Selected
Yes	17%
No	82%
Don't know + Prefer not to say	1%

Among those who have applied for the CERB, CRB or CESB, a third (33%) registered for My Account in order to apply for the benefit.

Table 13. Did you register for My Account to apply for this benefit or were you already registered beforehand?

Base: Registered for CRA My Account and Applied for Benefit (n=207)

Were Respondents Registered for My Account Before Applying for Benefits	Percent Selected
Registered to apply for the benefit	33%
Was already registered	60%
Don't know + Prefer not to say	7%

Barriers & Motivators

Among those who submit paper forms to file their personal income taxes, the most frequently mentioned reason for filing this way rather than electronically is simply that it is their preferred method (39%). Fewer say the main reasons involve security issues (13%), that it is the preferred method of the person who does their taxes (11%), that they lack the equipment (11%) or that it is easier/simpler (11%).

Notable differences between demographic groups include:

- Those 18-34 (35%) and 35-54 (20%) are more likely to say paper is the preferred method of whoever does their taxes.
- Those with lower incomes more frequently mention that they lack the equipment (18% among those with an income <\$20K and 16% of those with an income between \$20K-\$40K).
- One-in-five (19%) of those who are self-employed say they cannot file electronically due to complexity.
- Those who say they are unlikely to ever file electronically are more concerned about security (16% vs 7% among those likely to try it out).

Table 14. Thinking about when you filed your last personal income taxes, what would you say are the main reasons you opted to submit paper forms instead of submitting your forms electronically?

Base: Submit paper forms (n=1,511)

Main Reasons for Submitting Paper Forms Rather Than Filing Electronically	Percent Mentioned
Preferred method (habit, comfortable, like to do it, understand better, record keeping, can review, etc.)	39%
Security issues (safer to send in paper)	13%
Preferred method of person who does my taxes (accountant, etc.)	11%
Lack of equipment (laptop, computer, printer, etc.)	11%
Easier / Simpler	11%
Not computer savvy	5%
Cheaper / No fees / No software to buy	5%
Don't trust online system	4%
Don't know how to access/do	4%
Lack of internet services	4%
Too confusing / Difficult on computer/online	4%
Not permitted due to complexity	4%

Online system is not user friendly (can't go back, can't correct errors, find forms, etc.)	3%
Can do it at my leisure / Go back to it later	2%
Online services are unreliable (hard to reach, etc.)	1%
Forms/guide are mail to the house (convenient)	1%
Can send all receipts at the same time	1%
Other	2%
Don't know + Prefer not to say	1%

Respondents who do not currently file their personal income taxes electronically were asked whether a series of factors are a major factor, a factor but not a major one, or not a factor at all to their decision to file by paper.

The most consequential factor is simply a lack of interest in filing electronically – 43% say that not being interested a major factor for them, while 22% say it is a factor, though not a major one. Respondents 75+ (70% say it is a factor) and 65-74 (70%) cite the lack of interest more often than those 35-54 (59%).

Concern about privacy or security risk follows closely behind a simple lack of interest when it comes to why respondents do not file electronically. Over half (60%) say it is a factor, including 42% who say it is a major factor. Concern is significantly higher among those 55-64 (63%), 65-74 (63%) than among those at both the youngest and oldest ends of the age spectrum. Under half (44%) of those 18-34 and 54% of those 75+ are concerned about security risks. Quebeckers seem more concerned (67%) than respondents from other regions in Canada.

Over half (57%) say that not having the software they need is a factor, significantly more than say they do not have the hardware they would need (37%) or do not have a strong enough internet connection (29%). Notably, lacking the hardware is a larger issue for those 75+ - 43% say it is a factor. The same holds true for Internet access – 36% of those 75+ and 33% of those 65-74 say that their poor internet connection is a factor, compared to 21% of those 35-54 and 26% of those 55-64. In contrast, there are no significant age differences when it comes to lacking the software needed to file electronically.

Around half believe that they would not be able to file electronically for a variety of personal reasons. Over half (55%) lack confidence in their ability to file electronically, while half feel it would be too stressful (51%) or too difficult for them (50%). These views are more commonly held among those 75+, compared to younger respondents. For example, 60% of those 75+ are not confident in their ability, compared to 50% among those 35-54 and 55-64. Similarly, 58% of those 75+ say it seems too difficult, compared to 47% among those 35-54 and 55-64. Respondents in Quebec are more likely to doubt their ability to file electronically (62%), find it stressful (59%) or difficult (57%) compared to respondents from other provinces/regions. It is possible that some of the differences observed between respondents from Quebec and those from other provinces in this study are due in part to Quebeckers needing to file separate provincial tax returns. In previous research conducted by the CRA, higher reported levels of stress and perceived complexity in tax processes seems to be more common among Quebeckers.

There also appears to be a link between income, education and whether respondents think they could personally handle filing electronically. Almost two-thirds (64%) of those with high school education or less are not confident in their ability to file electronically, compared to 53% among those with a college degree and 46% among those with a university degree. Similarly, 65% of those with a household income of less

than \$20K and between \$20K-\$40K and 58% of those with an income between \$40K-\$60K are not confident in their ability, compared to 48% among those with an income between \$80K-\$150K and just 33% of those with an income of \$150K+.

Under half (41%) say that cost is a factor in their decision not to file online. Those with a household income of less than \$20K (48%) are notably more concerned about cost than those with an income of \$80K-\$150K (35%) or more than \$150K (34%). Respondents from Quebec (51%) are over twice as likely as respondents from Manitoba/Saskatchewan (24%) to cite cost as a factor.

There is some concern that forms will get lost if sent electronically, but less than half feel this is a factor that prevents them from filing electronically (39%). This concern is more pronounced among Quebecers (50%), those with an income of less than \$20K (49%), and those with only a high school education (43%).

Over a third (38%) believe their tax filing is too complex to submit electronically. Men are more concerned about this than women (42% vs 35%). Quebecers (50%) are more likely to say their filing is too complex than respondents from all other regions. Those who received help filing their most recent taxes are significantly more likely to cite complexity as a barrier than those who did not receive help (51% vs 31%).

About a third (36%) say that for at least one form they submit, CRA requires them to submit it by paper. Men (39%), Quebecers (49%) those with a household income under \$20K (50%) and those with only a high school education (41%) are among the most likely to say this a factor.

Table 15. For each of the following, please tell me how big a factor it is for you personally.

Base: Submit paper forms (n=1,511)

Factors Influencing Decision to Submit Paper Forms Rather Than Filing Electronically	A major factor	A factor, but not a major one	Not a factor at all	Don't know + Prefer not to say
I am not interested in doing that	43%	22%	30%	4%
I'm concerned about the privacy or security risk	42%	19%	37%	3%
I don't have the software I'd need	37%	19%	38%	5%
I'm not confident in my ability to do it	34%	21%	43%	3%
It seems too difficult	30%	20%	45%	5%
It seems too stressful for me	30%	21%	46%	3%
I don't have the hardware I'd need	23%	13%	60%	3%
It would cost me money	23%	18%	54%	5%
My tax filing is too complex to do that	22%	17%	57%	5%
For at least one form I submit, CRA requires I submit it in paper form	22%	13%	48%	17%
I worry my forms will get lost if I submit them electronically	21%	17%	58%	4%
I don't have a good enough Internet connection	17%	11%	68%	3%

About one third (32%) say it is likely they will switch to filing electronically. Slightly less than a third say it is not very likely that they will switch (29%) while over a third (36%) are not at all likely to switch. There are significant differences across several demographic segments, including the following:

- Men (36%) are more likely than women (29%) to switch.
- Those 18-34 (46%), 35-54 (42%) and 55-64 (37%) are more likely to switch than those 65-74 (27%) and 75+ (24%).
- Respondents in Atlantic Canada (33%), Ontario (35%), the Prairies (39%), Alberta (36%) and BC (42%) are all more likely to switch than respondents from Quebec (24%).
- The higher a respondent’s income, the more likely they are to switch. Almost half (47%) of those with a household income of \$150K+ are likely to switch, compared to just a quarter of those with a household income of less than \$20K (25%) or between \$20K and \$40K (26%).
- Those with a university degree (41%) are more likely to switch than those with a high school education or less (27%) or college education (30%).
- Those born outside of Canada (39%) are more open to switching than those born in Canada (31%).
- Respondents who have registered for My Account (44%) are more likely to switch compared to those who have not (22%). The same is true for those who applied for one of the pandemic benefits (44%) compared to those who did not (31%).

Table 16. How likely is it that you will ever switch from filing paper copies of your personal tax forms to filing your forms electronically?

Base: Submit paper forms (n=1,511)

Likelihood of Switching to Electronic Filing	Percent Selected
Not at all likely	36%
Not very likely	29%
Somewhat likely	21%
Very likely	11%
Don’t know + Prefer not to say	2%

Respondents who do not currently file electronically were presented with six factors and asked if they would increase their likelihood of switching to filing online. It is worth noting that each of these factors seem to have a greater influence on younger respondents (under 55) compared to those 65+.

The factors that most increase likelihood of switching to electronic filing are:

- The CRA pre-filing returns based on information they have on file – 12% say this would make them certain to switch, while 31% say it would make them more likely to do so.
- If using the CRA My Account online service was easy – 11% say this would make them certain to switch and 32% say it would make them more likely to switch.

Even among those who say they are not likely to switch to filing electronically, roughly a third say that pre-filing their returns (32%) and knowing that My CRA was easy to use (30%) could make them certain or more likely to switch. Over two-thirds of those who say they are likely to switch overall say that ease of use (72%) and pre-filing returns (67%) would make them certain or more likely to switch.

As noted above, younger respondents are more likely than older respondents to say that pre-filling their information and knowing that the CRA My Account service was easy would make them certain or more likely to switch to filing electronically. In fact, two-thirds (65%) of those 18-34 say that knowing the service was easy to use would make them certain or more likely to switch, along with 58% of 35-54 year-olds. In contrast, under half (45%) of those 55-64 and roughly a third of those 65-74 (37%) and 75+ (34%) say knowing this would make them certain or more likely to switch. The 35-54 age group are particularly enthusiastic about the ability to pre-fill their returns (59%), compared to those 75+ (32%).

In keeping with trends noted throughout this report, there are differences based on income and education when it comes to the impact of these two factors on likelihood of switching to electronic filing. Over half (58%) of those with a household income of \$80K-\$150K say that knowing that the CRA My Account was easy to use would make them certain or more likely to switch, compared to a low of 36% among those with an income between \$20K-\$40K. Half (51%) of those with a university degree say knowing My Account was easy to use would make them certain or more likely to switch, compared to 44% among those with college education and 36% among those with high school education or less. When it comes to pre-filling information, over half of those with a household income of \$80K-\$150K (56%) and \$150K+ (54%) say this would make them certain or more likely to switch, compared to just 39% among those with incomes less than \$40K. University graduates are also more likely to say this would make them certain/more likely to switch (51%) than college educated people (45%) and those with high school education or less (34%).

Over a third would be certain or more likely to switch to filing electronically if they knew that all forms they needed could be filled out electronically (39%), if someone helped them do it (35%) and if they could be certain their forms were received by CRA (35%). Among those who already say they are likely to switch to filing electronically, over two-thirds (69%) say that knowing all their forms could be submitted electronically would make them certain/more likely to switch. Fewer, though still over half say that having help (57%) and knowing that CRA received their forms (59%) would also make them certain/more likely to switch. Roughly one-quarter of those who initially say they are not likely to switch to filing electronically say that knowing all forms could be filled out electronically (24%), having someone help them (25%) and if they could be certain their forms were received (24%) would make them certain or more likely to switch.

Again, younger respondents are more likely to say that knowing their forms could all be submitted electronically, having help, and confirmation that CRA received their forms would make them more likely to switch compared to older respondents. For example, over half (55%) of 18-34 year-olds would be more likely to switch if they had help, along with 46% of those 35-54. In contrast, a third or less of those 55-64 (31%) 65-74 (33%) and 75+ (29%) would be more likely to switch if they had help.

Knowing that their forms could be filled out electronically seems particularly influential for those with a household income of \$80K-\$150K and those with a university degree. Half (52%) of those with a household income of \$80K-\$150K and just under half (46%) of those with a university degree would be certain or more likely to file online if they knew this. Being certain that their forms were received by CRA is more important for Quebeckers (40%) than residents of Manitoba/Saskatchewan (27%), Alberta (26%) and BC (31%).

Finally, the possibility of submitting forms via online banking is the least influential factor. Just a quarter (27%) say this would make them certain or more likely to switch, though this number is significantly higher among those 35-54 (40%) and 18-34 (37%).

Table 17. For each of the following, please tell me if that would make certain that you would ...If

Base: Submit paper forms (n=1,511)

Factors That Could Increase Likelihood of Switching to Filing Electronically	Would make me certain to switch	Would make me more likely to switch	Would not make me any more likely to switch	Don't know + Prefer not to say
The CRA would pre-fill my returns based on information they already had on file	12%	31%	50%	7%
I knew all the forms I needed could be filled out electronically	12%	27%	57%	5%
Using CRA's My Account online service was easy	11%	32%	51%	6%
I could be certain my forms were received by CRA	10%	25%	59%	6%
Someone helped me do it	9%	26%	60%	5%
My forms could be submitted over my online banking website	8%	19%	67%	7%

Tax Filing Segments

Three segments emerge from the data that may be of strategic value to CRA. First, there is the 23% of respondents who claim to have filed their last return electronically. They represent a significant portion of 2019 paper filers who the CRA may not need to devote efforts to convincing to file electronically. Second, there is a segment of 2019 paper filers who say they are at least somewhat likely to switch to filing electronically. They represent 25% of the overall sample. Finally, there is a segment comprising of half (50%) of the 2019 paper filers who say they are unlikely to ever switch to filing electronically. The breakdown of each segment by a number of demographic variables is noted in the tables below.

The “Already Switched” segment includes a greater percentage of 18–34-year-olds (19%) than the other two, and also includes a greater percentage with just high school education (40%) and incomes less than \$20K (20%) than the Likely Switchers. However, the segment also includes a relatively high percentage of respondents with incomes of \$80K-\$150K (24%), compared to Unlikely Switchers.

Arguably, the “Likely Switchers” represent the most promising target for immediate conversion. This stands out in a number of ways. First, it skews slightly male (52%) and to the 35-54 age range (31%). They are also more likely to be residents of BC (18%), have a household income of \$80K or more, and have a university degree (41%)

Conversely, the “Unlikely Switchers” are the most challenging segment and skew older (over 50% are 65+) and female (55%). They are more likely to have no formal education beyond high school (36%) and a household income under \$40K. They are also more likely than the Likely Switchers to be from Quebec (38%).

Note: Results with subscript capital letters in the tables below indicate that the difference between the demographic groups analysed are significantly higher than results found in other columns in the table.

Table 18: Age Breakdown of Tax Filing Segments

Base: Respondents who file by mail and provide a response as to whether they would be likely to switch or respondents who file electronically (n=1901): Already Switched (n=423) Likely Switchers (n=462); Unlikely Switchers (n=1016)

Demographic Category	Already Switched A	Likely Switchers B	Unlikely Switchers C
18-34	19% B C	7%	4%
35-54	31% C	31% C	21%
55-64	20%	25%	21%
65-74	17%	22%	30% A B
75+	13%	16%	24% A B

Table 19: Gender Breakdown of Tax Filing Segments

Base: Respondents who file by mail and provide a response as to whether they would be likely to switch or respondents who file electronically (n=1901): Already Switched (n=423) Likely Switchers (n=462); Unlikely Switchers (n=1016)

Demographic Category	Already Switched A	Likely Switchers B	Unlikely Switchers C
Male	48%	52% C	44%
Female	51%	47%	55% B

Table 20: Education Breakdown of Tax Filing Segments

Base: Respondents who file by mail and provide a response as to whether they would be likely to switch or respondents who file electronically (n=1901): Already Switched (n=423) Likely Switchers (n=462); Unlikely Switchers (n=1016)

Demographic Category	Already Switched A	Likely Switchers B	Unlikely Switchers C
High School	40% B	28%	36% B

College/Vocational	30%	31%	36%
University	30%	41%	28%
		A C	

Table 21: Income Breakdown of Tax Filing Segments

Base: Respondents who file by mail and provide a response as to whether they would be likely to switch or respondents who file electronically (n=1901): Already Switched (n=423) Likely Switchers (n=462); Unlikely Switchers (n=1016)

Demographic Category	Already Switched A	Likely Switchers B	Unlikely Switchers C
<\$20K	20%	11%	16%
	B		A
\$20K-\$40K	20%	20%	28%
			A C
\$40K-\$60K	21%	18%	19%
\$60K-\$80K	10%	15%	14%
\$80K-\$150K	24%	25%	17%
	C	C	
\$150K	5%	11%	6%
		A C	

Table 22: Regional Breakdown of Tax Filing Segments

Base: Respondents who file by mail and provide a response as to whether they would be likely to switch or respondents who file electronically (n=1901): Already Switched (n=423) Likely Switchers (n=462); Unlikely Switchers (n=1016)

Demographic Category	Already Switched A	Likely Switchers B	Unlikely Switchers C
Atlantic Canada	10%	9%	9%
Quebec	38%	25%	38%
	B		B
Ontario/Nunavut	28%	31%	27%
Manitoba/Saskatchewan	6%	7%	5%
Alberta/Northwest Territories	8%	10%	9%
BC/Yukon	10%	18%	12%
		A C	

Strategically, if CRA wishes to convince more Canadians to switch to electronic filing, it is valuable to identify the largest barriers and most influential “nudges” that would convert Likely Switchers.

Software seems to be the most significant barrier for Likely Switchers. Over half (58%) do not have the software that they would need to file electronically. Half are concerned about privacy/security (51%), are not interested (50%), or not confident (50%). Slightly less than half think it would be too difficult (45%) or stressful (43%). Slightly fewer say their filing is too complex (41%) or would cost them money (40%). About a third believe CRA requires them to submit a particular form by paper (34%) or worry that their form will get lost (30%). Not having the hardware (27%) or internet connection (21%) are the least significant barriers.

Unlikely Switchers face many of the same barriers as Likely Switchers but tend to view almost all of them as more significant hurdles and rank them slightly differently. Lack of interest (74%) is the greatest barrier. Privacy concerns follow (65%). Over half lack confidence (57%), don't have the software (56%), and say it seems too stressful (55%) or difficult (53%). Under half are concerned about cost (42%) and forms getting lost (43%) or lack the hardware (41%). Complexity of their tax filing (37%), requirement to submit by paper (37%) and not having a good internet connection (33%) are the least significant barriers.

Table 23: Percentage who indicate that each barrier is a major factor or a factor, but not a major one

Base: Respondents who file by mail and provide an answer as to whether they would be likely to switch (n=1,478): Likely Switchers (n=462); Unlikely Switchers (n=1016)

Barrier	Likely Switchers A	Unlikely Switchers B
I don't have the software I'd need	58%	56%
I'm concerned about the privacy or security risk	51%	65%
I am not interested in doing that	50%	74%
I'm not confident in my ability to do it	50%	57%
It seems too difficult	45%	53%
It seems too stressful for me	43%	55%
My tax filing is too complex to do that	41%	37%
It would cost me money	40%	42%
For at least one form I submit, CRA requires I submit it in paper form	34%	37%
I worry my forms will get lost if I submit them electronically	30%	43%
I don't have the hardware I'd need	27%	41%
I don't have a good enough Internet connection	21%	33%

When it comes to the most helpful nudges that CRA could present to Likely Switchers, knowing that My Account is easy to use would be the most influential. Almost three-quarters (72%) say this would make

them certain or more likely to file electronically. Over two-thirds say that knowing that all forms could be filled out electronically (69%) and pre-filing returns (67%) would make them certain or more likely to switch. Over half would be more likely to switch if they could be certain the CRA received their forms (59%) or if someone helped them (57%). Finally, while submitting forms via their online banking website is the least influential factor, still half (49%) say it would make them certain or more likely to switch.

Less than a third of Unlikely Switchers say that any of the factors presented would make them more likely or certain to switch to online filing, but among the most influential are pre-filing returns (32%) and knowing My Account is easy to use (30%).

Table 24: Percentage who indicate that each factor would make them certain or more likely to switch to filing electronically

Base: Respondents who file by mail and provide an answer as to whether they would be likely to switch (n=1,478): Likely Switchers (n=462); Unlikely Switchers (n=1016)

Barrier	Likely Switchers A	Unlikely Switchers B
If using CRA's My Account online service was easy	72% B	30%
If I knew all the forms I needed could be filled out electronically	69% B	24%
If the CRA would pre-fill my returns based on information they already had on file	67% B	32%
If I could be certain my forms were received by CRA	59% B	24%
If someone helped me do it	57% B	25%
If my forms could be submitted over my online banking website	49% B	16%

Conclusions

The findings of the research suggest that among those who have previously filed by paper, there is some willingness to file electronically. First, about a quarter of those who filed their 2019 return by paper filed their most recent return electronically. These individuals can be easily reminded to continue to file online in the future. Second, another quarter seem likely to switch to filing online. By targeting the latter group, based on their demographic characteristics, eliminating barriers, and emphasizing the most powerful incentives that would make them more likely to file online, CRA can likely increase uptake.

Knowing the demographic profile of the Likely Switchers can help CRA target this group more effectively. They skew male, and towards the 35-54 age category. They are also more likely to be residents of BC, have a household income of \$80K or more, and have a university degree.

While Likely Switchers are open to the idea of electronic filing, they still face barriers to doing so. Not having the software they would need is the top concern (58% say it is a barrier). About half are concerned about privacy and security (51%). For these two barriers, Likely Switchers may require additional information on how to procure the software and about security measures to feel comfortable filing online.

Other significant barriers may require a slightly different approach. First, with half (50%) saying they lack confidence to file online and 45% indicating that it seems too difficult, reassurance that the process is easy could be helpful. In fact, when asked what impact knowing that My Account is easy to use would have on their likelihood to file, 72% say it would make them either certain or more likely to switch. Knowing that all their forms can be filed electronically (69% say it would make them certain or more likely to file online) and that information can be pre-filled (67%) are influential pieces of knowledge that may also help directly address the lack of confidence and concerns about difficulty.

Apathy is another barrier – 50% of Likely Switchers say they are simply not that interested in switching. Therefore, CRA will have to demonstrate the value of switching, whether that be through saving time, simplifying the process, etc.

While the Likely Switchers represent lower-hanging fruit for CRA to convince to file electronically, there remains a significant segment of filers (about half of respondents in this study) who say they are unlikely to switch. They are older (most likely 65 and over) and have lower levels of income and education. They are more likely to view almost all the barriers tested as significant and stand out as being more apathetic towards filing online and more concerned about security and privacy. If, in the future, CRA wishes to target this segment, demonstrating the value of filing electronically will be even more important, as will be reassurances regarding data security.

In summary, as CRA seeks to encourage more Canadians to file electronically, targeting the Likely Switchers first may be a relatively easier task than convincing the Unlikely Switchers. However, even the Likely Switchers segment will still require some education about the process and how it can be advantageous to them, as well as reassurances about the most common concerns.

Appendix A – Survey Methodology Report

Survey Methodology

Earnscliffe Strategy Group’s overall approach for this study was to conduct a telephone survey of 2,000 Canadians aged 18 and older who filed their 2019 tax return by mail/paper rather than online, using Léger’s centralized call-centre and state of the art Computer Aided Telephone Interviewing (CATI) system. A detailed discussion of the approach used to complete this research is presented below.

Questionnaire Design

The questionnaire for this study was designed by Earnscliffe in consultation with CRA and provided for fielding to Léger. The survey was offered to respondents in both English and French and completed based on their preferences.

Sample Design and Selection

CRA provided Earnscliffe with a list of 697,715 Canadians who filed their 2019 tax return by mail/paper. The list included each individual’s province of residence and phone number. Earnscliffe provided the list to Léger for data collection.

Data Collection

The survey was conducted in English and French from May 11 to June 2, 2021. The survey was undertaken by Léger’s virtual call-centre and state of the art Computer Aided Telephone Interviewing (CATI) system. Léger sampled from the list provided on a randomized basis.

Targets/Weighting

Initially, we did not set any quotas. As the survey was to be conducted on a randomized basis, we decided to monitor the natural fallout for province, age and gender before moving ahead with strict quotas or a weighting scheme. However, as data collection reached the midway point, we decided to implement provincial quotas in order to ensure the final sample reflected the composition of the list. The quotas were as follows:

Table 25: Provincial/Territorial Quotas

Province/Territory	Percentage	Sample Size
Newfoundland and Labrador	3.01%	61
Prince Edward Island	.44%	9
Nova Scotia	3.62%	72
New Brunswick	2.99%	61
Quebec	34.72%	694
Ontario	28.07%	561
Manitoba	3.08%	62
Saskatchewan	2.77%	55
Alberta	8.67%	173
British Columbia	12.47%	249
Nunavut	.03%	1
Northwest Territories	.05%	1
Yukon	.07%	1
Total	100%	2,000

Upon completion of the data collection, we decided to weight the sample by age (<55, 55-64, 65-74 and 75+) and gender within province, to the proportions from the CRA list.

Reporting

Results with subscript capital letters in the tables presented in this report (and under a separate cover) indicate that the difference between the demographic groups analysed are significantly higher than results found in other columns in the table. In the text of the report, unless otherwise noted, demographic differences highlighted are statistically significant at the 95% confidence level. The statistical test used to determine the significance of the results was the Z-test.

Quality Controls

Léger conducted a soft-launch pre-test of the survey, and Earnscliffe reviewed the data to ensure that all skip patterns were working and that all respondents were completing the survey in an appropriate amount of time. Initially, the average length of interview exceeded the 15 target, and the questionnaire was edited to shorten it. An additional pre-test was conducted to ensure that the revised questionnaire was an appropriate length.

Léger's data collection quality control process as it relates to telephone interviewing is concretely based on the following elements:

- Assigning every project a project leader who is ultimately responsible for the quality of the final product, thereby strengthening the sense of internal responsibility;
- Ensuring that the client's objectives precisely correlate with the final questionnaire, strictly ensuring that all targeted dimensions are unequivocally included in the guide;
- Individually examining the formulation of every question beforehand to ensure simplicity of expression, clear syntax and a precise notion of the field covered;
- Looking for contamination effects beforehand, that is ensuring that the location of a question in the questionnaire does not have an undue effect on the following answers (this is generally done by providing information indirectly to the participants, thereby rendering the sampling unrepresentative);
- A strict comparison of the computerised version of the questionnaire with the reference questionnaire approved by the client ;
- Checking the programmed jumps in the computerised system before the pre-test;
- Holding a pre-test to ensure the questions are easily understood, to check the concepts, and to look for any possible ambiguities or logical jumps in the questions, etc. The pre-test is preferably held in the presence of the client (audio monitoring) and interviewers are debriefed afterwards so all dimensions can be explored;
- Using the best interviewers, from our Elite network, for the pre-test, since their thousands of hours of field experience enable them to quickly discern any questions that are badly written, ambiguous, unclear or too general. No one is better suited to detect anomalies at this stage where they can still be easily corrected;
- In-depth training of interviewers so they understand the context of every study and the meaning of every question ;
- Insistence on open or semi-open questions, in order to specify the type of answer expected and to avoid vague and general answers as much as possible;
- Heavy monitoring by the supervisors to facilitate the detection of any problematic questions. This involves being attentive to the interviewers' thoughts and concerns and encouraging them to voice them, even after the pre-test;

- Constant audio monitoring of the survey, along with simultaneous monitoring of the information entered into the computer. This allows the supervisor to control the quality of the interview and the correct correlation between the information supplied and the codes entered;
- Using software that does not allow input errors or unexpected jumps, etc. The logical validation is therefore carried out beforehand and not after the fact ;
- Constant rigour throughout the process, but particularly at the beginning insofar as the comprehensibility of the questions is concerned. Even if the pre-test has already taken place, the complexity and length of the questionnaires means that some questions might have to be modified to ensure they are more easily understood (without modifying the sense). These modifications are always carried out in complete agreement with the client;
- Open questions are coded according to an initial sampling of answers in the file and by the creation of codes that are submitted to the client for approval.
- The interviewers' performance is monitored on a daily basis using the Command Center software which enables corrections to be carried out quickly.

Table 26. Final dispositions

Numbers Attempted	71,295
Invalid	31
NIS, fax/modem, business/non-res.	15273
Unresolved (U)	39314
Busy	1452
No answer, answering machine	37862
In-scope - Non-responding (IS)	14658
Household refusal	10841
Respondent refusal	
Language problem	774
Illness, incapable	628
Selected respondent not available	2080
Qualified respondent break-off	335
In-scope - Responding units (R)	2019
Language disqualify	19
No one 18+	
Other disqualify	
Completed interviews	2000
Response Rate = R/(U+IS+R)	3.61%

NONRESPONSE

Any survey that is conducted is potentially subject to bias or error. The possibility of non-response bias exists within the current sample. In particular, this survey would not include members of the population who do not have access to a telephone or who are not capable of responding to a survey in either English or French. In addition, some groups within the population are systemically less likely to answer surveys.

As is typically the case for telephone surveys, older individuals are easier to reach, so the survey underrepresented those age under age 55 and overrepresented those 65 to 74 and 75+.

SAMPLE PROFILE: UNWEIGHTED VS. WEIGHTED DISTRIBUTIONS

Table 27. Unweighted sample vs weighted sample by region

Region	Unweighted Sample	Weighted Sample
Atlantic	10%	10%
Quebec	35%	35%
Ontario	28%	28%
Manitoba/Saskatchewan	6%	6%
Alberta	9%	9%
British Columbia/Territories	13%	13%

Table 28. Unweighted sample vs weighted sample by gender

Gender	Unweighted Sample	Weighted Sample
Female	56%	52%
Male	44%	48%

Table 29. Unweighted sample vs weighted sample by age

Age	Unweighted Sample	Weighted Sample
<55	24%	35%
55-64	22%	22%
65-74	31%	25%
75+	23%	19%

MARGIN OF ERROR

The margin of error for this sample of 2,000 Canadians who filed their 2019 return by paper/mail is +/- 2.19%, 19 times out of 20.

SURVEY DURATION

The average survey duration was 16 minutes.

Appendix B – Survey Questionnaire

SURVEY QUESTIONNAIRE

CRA Digital Acceleration Survey 2021

Telephone Survey Introduction

Hello/Bonjour. My name is _____ and I am calling from Earncliffe Strategy Group, a public opinion research company. We are conducting a survey on behalf of the Government of Canada. May I please speak with [INSERT PARTICIPANT FIRST AND LAST NAME]?

[IF NECESSARY: Hello/Bonjour, am I speaking with [INSERT PARTICIPANT FIRST AND LAST NAME]?)

Would you prefer that I continue in English or French? Préfèrez-vous continuer en français ou anglais?

We are conducting a survey for the Government of Canada to gain insights to better understand how Canadians prefer to submit tax-related information to the Canada Revenue Agency. More specifically, the Canada Revenue Agency is interested in hearing from people who submit their tax returns by paper.

The survey should only take about 15 minutes to complete. Your participation in this survey is voluntary. Please be assured that your responses are confidential and will not be reported individually nor attributed to you personally. Your decision on whether or not to participate will not affect any dealings you may have with the Government of Canada nor with the Canada Revenue Agency.

All information relating to this survey is managed in accordance with requirements of the *Privacy Act*, the *Access to Information Act*, and any other pertinent legislation.

May I continue?

Yes
No

[IF NO: Is there a reason that prevents you from answering this survey by phone?
IF REASON IS DISABILITY, OFFER ALTERNATE FORMAT (ONLINE QUESTIONNAIRE OR PDF VIA EMAIL),
WHERE APPROPRIATE. IF ACCEPTED, TAKE RESPONDENT EMAIL ADDRESS]

And, just to confirm, have I reached you on a landline phone or a cell phone?

Landline
Cell phone
Don't know/Refused

For your safety, are you currently driving?

Yes – SCHEDULE CALLBACK
No

Don't know/Refused

Thank you, let's begin the survey.

[INTERVIEWER NOTE: Additional background information if required]

This research is being conducted by Earncliffe Strategy Group, a Canadian public opinion research firm on behalf of the Canada Revenue Agency, a department of the Government of Canada.

The purpose of this survey is to better understand Canadians' opinions and behaviours relating to submitting tax forms.

- You are being asked to offer your opinions and experiences.
- We anticipate that the survey will take 15 minutes to complete.
- Your participation in the survey is completely voluntary.
- Your decision on whether or not to participate will not affect any dealings you may have with the Government of Canada or the Canada Revenue Agency.

What about your demographic/personal information?

- The personal/demographic information you provide is governed in accordance with the Privacy Act and is being collected in accordance with the Treasury Board Directive on Privacy Practices.
- Purpose of collection: We collect demographic information such as demographic information to better understand the topic of the research and help us analyze the results. However, your responses are always combined with the responses of others for analysis and reporting; you will never be identified.
- For more information: This personal information collection is described in the standard personal information bank Public Communications – PSU 914, in Info Source, available online at infosource.gc.ca.
- Your rights under the Privacy Act: In addition to protecting your personal information, the Privacy Act gives you the right to request access to and correction of your personal information. You also have the right to file a complaint with the Privacy Commissioner of Canada if you think your personal information has been handled improperly.

[ONLY IF ASKED HOW EARNSCLIFFE HAS THEIR NAME: Earncliffe is working under contract for the Canada Revenue Agency to conduct this research, and have been provided with a list of contact information of people who have submitted their tax returns by paper. Your name has been selected randomly from this list. All information relating to this survey is managed in accordance with requirements of the Privacy Act, the Access to Information Act, and any other pertinent legislation.]

[ONLY IF NECESSARY] You can confirm the validity of this research by searching Canada Revenue Agency public opinion research or visiting www.Canada.ca/por-cra. If you have any questions about the survey, you may contact Krista Holmes, Senior Public Affairs Advisor at 343-551-6112 or Krista.Holmes@cra-arc.gc.ca.

Your help is greatly appreciated, and we look forward to receiving your feedback. **[CONTINUE TO Q1]**

Section 1: Current Perceptions and Behaviours

1. Which of the following provinces or territories do you live in?

Newfoundland and Labrador	1
Nova Scotia	2
Prince Edward Island	3
New Brunswick	4
Quebec	5
Ontario	6
Manitoba	7
Saskatchewan	8
Alberta	9
British Columbia	10
Yukon	11
Nunavut	12
Northwest Territories	13
Prefer not to say [TERMINATE]	99

The first questions are about the ways that Canadians can file federal tax forms with the Canada Revenue Agency (CRA). These forms include the T1 income tax package that applies to most Canadians, but also includes many other types of forms that people may be required to complete when completing and submitting their annual tax filing.

2. How were your last personal [QUEBEC ONLY: federal] income taxes sent in? That is, was it sent in by mail or online?.

By mail	1
Online (INCLUDES EFILE AND NETFILE)	2
Other	88
[DO NOT READ] Don't know	99

3. Which of the following ways, if any, did you get any forms needed for preparing your last personal [QUEBEC ONLY: federal] income taxes? [SELECT ALL THAT APPLY]

[DO NOT READ. VOLUNTEERED ONLY.] I never personally accessed or used any forms	0
I had a form or forms mailed to me	1
I printed off at least one form	2
I picked up a tax package	3
A friend or family member provided me with forms or got them on my behalf	4
A tax professional or accountant provided me with forms or got them on my behalf	5
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

4. Generally speaking, how satisfied are you with the way in which you go about preparing and submitting your personal [QUEBEC ONLY: federal] income taxes to the Canada Revenue Agency?
- | | |
|------------------------------------|----|
| Very dissatisfied | 1 |
| Somewhat dissatisfied | 2 |
| Neither satisfied nor dissatisfied | 3 |
| Somewhat satisfied | 4 |
| Very satisfied | 5 |
| [DO NOT READ] Prefer not to say | 88 |
| [DO NOT READ] Don't know | 99 |
5. Did you prepare your last personal [QUEBEC ONLY: federal] income taxes on your own, or did you receive help from someone else?
- | | |
|---------------------------------|----|
| Prepared on my own | 1 |
| Received help | 2 |
| [DO NOT READ] Prefer not to say | 88 |
| [DO NOT READ] Don't know | 99 |
6. [IF RECEIVED HELP] Did the person who provided you with help preparing your last personal [QUEBEC ONLY: federal] income taxes also send in your forms to Canada Revenue Agency for you?
- | | |
|---------------------------------|----|
| No, I sent them in myself | 1 |
| Yes | 2 |
| [DO NOT READ] Prefer not to say | 88 |
| [DO NOT READ] Don't know | 99 |
7. Have you ever visited the tax pages of either the Canada.ca or Canada Revenue Agency website to search for information on tax-related matters?
- | | |
|---------------------------------|----|
| Yes | 1 |
| No | 2 |
| [DO NOT READ] Prefer not to say | 88 |
| [DO NOT READ] Don't know | 99 |
8. [UNLESS Q2=2 "ONLINE"] Have you personally ever submitted federal tax forms online or electronically?
- | | |
|---|----|
| No, I have never submitted a form to CRA online or electronically | 1 |
| Yes, I have submitted a form to CRA online or electronically | 2 |
| [DO NOT READ] Prefer not to say | 88 |
| [DO NOT READ] Don't know | 99 |
9. Have you ever registered with CRA's My Account online service?
- | | |
|-----|---|
| Yes | 1 |
| No | 2 |

[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

10. Which of the following do you have? [SELECT ALL. RANDOMIZE.]

A desktop or laptop computer or easy access to one at your household	1
A tablet, or mobile device such as a smartphone	2
High speed internet	3
A printer	4
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

For each of the following, please tell me whether this is something you do frequently, sometimes, rarely or if it is something you don't do. [RANDOMIZE]

11. Banking in-person or at a branch
12. Online banking
13. Make online purchases of any kind

Do not do this	1
Rarely	2
Sometimes	3
Frequently	4
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

14. Since they were launched in 2020, have you ever registered online for either the Canada Emergency Response Benefit (CERB), the Canada Recovery Benefit (CRB) or the Canada Emergency Student Benefit (CESB) that the Government of Canada made available to individuals as a result of the pandemic?

No	1
Yes	2
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

15. [IF YES AT Q9 AND Q14] Did you register for My Account to apply for this benefit or were you already registered beforehand?

Registered to apply for benefit	1
Was already registered	2
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

[ASK Q16-Q35 IF Q2=1 "MAIL"]

The Canada Revenue Agency provides the option for people to submit forms electronically. You indicated earlier that you filed your last personal [QUEBEC ONLY: federal] income taxes by mail. The next questions

are to help understand why you choose that method for submitting your tax forms, rather than submitting your form or forms electronically or in other words, online.

16. Thinking about when you filed your last personal [QUEBEC ONLY: federal] income taxes, what would you say are the main reasons you opted to submit paper forms instead of submitting your forms electronically? [OPEN END. ACCEPT UP TO THREE RESPONSES.]

[DO NOT READ] Prefer not to say 88
 [DO NOT READ] Don't know 99

I'm going to read you a list of reasons people might have for opting to submit paper forms when filing their personal [QUEBEC ONLY: federal] income taxes instead of submitting their forms electronically. For each of the following, please tell me how big a factor it is for you personally. You can do this by telling me whether this is a major factor influencing why you file paper instead of electronic forms, a factor but not a major one or not a factor for you at all. [RANDOMIZE]

17. I don't have the hardware I'd need [INTERVIEWER NOTE IF NECESSARY: such as a personal computer or tablet]
 18. I don't have the software I'd need [INTERVIEWER NOTE IF NECESSARY: such as tax-filing application or program]
 19. I don't have a good enough Internet connection
 20. I'm concerned about the privacy or security risk
 21. It seems too difficult
 22. I am not interested in doing that
 23. It would cost me money
 24. I'm not confident in my ability to do it
 25. It seems too stressful for me
 26. My tax filing is too complex to do that
 27. I worry my forms will get lost if I submit them electronically
 28. For at least one form I submit, CRA requires I submit it in paper form

Not a factor at all 1
 A factor, but not a major one 2
 A major factor 3
 [DO NOT READ] Prefer not to say 88
 [DO NOT READ] Don't know 99

Section 2: Forward Looking

29. [IF Q2= "MAIL"] How likely is it that you will ever switch from filing paper copies of your personal tax forms to filing your forms electronically?

Not at all likely 1
 Not very likely 2
 Somewhat likely 3
 Very likely 4
 [DO NOT READ] Prefer not to say 88

It's possible there are some ways the process for submitting personal forms electronically could change or that there are existing options of which people are unaware. For each of the following, please tell me if that would make certain that you would switch to submitting your personal tax forms electronically, make you more likely to switch or not make you any more likely to switch. [RANDOMIZE]

30. If my forms could be submitted over my online banking website
31. If someone helped me do it
32. If I knew all the forms I needed could be filled out electronically
33. If I could be certain my forms were received by CRA
34. If using CRA's My Account online service was easy
35. If the CRA would pre-fill my returns based on information they already had on file

Would not make me any more likely to switch to submitting electronically	1
Would make me more likely to switch to submitting electronically	2
Would make me certain to switch to submitting electronically	3
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99

Section 3: Demographics

The last few questions are strictly for statistical purposes. All of your answers are completely confidential.

36. What gender do you identify with?

Male	1
Female	2
Other gender identity	3
Prefer not to answer	9

37. In what year were you born?

[INSERT YEAR]

38. What is the language you speak most often at home?

English	1
French	2
Other (SPECIFY)	3
[DO NOT READ] Prefer not to answer	9

39. What is the highest level of schooling that you have completed?

Grade 8 or less	1
-----------------	---

Some high school	2
High school diploma or equivalent	3
Registered apprenticeship or other trades certificate or diploma	4
College, CEGEP or other non-university certificate or diploma	5
University certificate or diploma below bachelor's level	6
Bachelor's degree	7
Post graduate degree above bachelor's level	8
[DO NOT READ] Prefer not to say	9
40. What is your current employment status?	
Student	1
Self-employed	2
Employed (full time)	3
Employed (part time)	4
Unemployed (looking for work)	5
Unemployed (not currently looking for work)	6
Unable to work	7
Retired	8
Homemaker	9
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99
41. Would you describe the community you live in as...	
Urban	1
Suburban	2
Rural	3
Remote	4
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99
42. Which of the following categories best describes your total household income for 2020? That is, the total income of all persons in your household combined, before taxes?	
Under \$20,000	1
\$20,000 to just under \$40,000	2
\$40,000 to just under \$60,000	3
\$60,000 to just under \$80,000	4
\$80,000 to just under \$100,000	5
\$100,000 to just under \$150,000	6
\$150,000 to just under \$200,000	7
\$200,000 and above	8
[DO NOT READ] Prefer not to say	88
[DO NOT READ] Don't know	99
43. Were you...?	

Born in Canada	1
Born outside of Canada	2
[DO NOT READ] Prefer not to answer	9
44. Are you an Indigenous person, that is, First Nations, Métis or Inuk (Inuit)?	
Yes	1
No	2
Prefer not to answer	9
45. [IF NOT INDIGENOUS] Are you...? [SELECT ALL THAT APPLY]	
White	1
South Asian (e.g., East Indian, Pakistani, Sri Lankan, etc.)	2
Chinese	3
Black	4
Filipino	5
Latin American	6
Arab	7
Southeast Asian (e.g., Vietnamese, Cambodian, Malaysian, Laotian, etc.)	8
West Asian (e.g., Iranian, Afghan, etc.)	9
Korean	10
Japanese	11
Other [SPECIFY]	12
Prefer not to answer	99
46. Do you identify as a person with a disability? A person with a disability is a person who has a long-term or recurring impairment (such as vision, hearing, mobility, flexibility, dexterity, pain, learning, developmental, memory or mental health-related) which limits their daily activities inside or outside the home (such as at school, work, or in the community in general).	
Yes	1
No	2
[Do not read] Don't know	88
[Do not read] Prefer not to answer	99
<u>[FOR PRE-TEST ONLY: ADD QUESTIONS A THRU J]</u>	
A. Did you find any aspect of this survey difficult to understand? Y/N	
B. [IF A=YES] Please describe what you found difficult to understand.	
C. Did you find the way of the any of the questions in this survey were asked made it difficult for you to provide your answer? Y/N	
D. [IF C=YES] Please describe the problem with how the question was asked.	
E. Did you experience any difficulties with the language? Y/N	
F. [IF E=YES] Please describe what difficulties you had with the language.	
G. Did you find any terms confusing? Y/N	
H. [IF G=YES] Please describe what terms you found confusing.	
I. Did you encounter any other issues during the course of this survey that you would like us to be aware of? Y/N	

J. [IF I=YES] What are they?

This concludes the survey. In the coming months the report will be available from Library and Archives Canada. We thank you very much for taking the time to participate, it is greatly appreciated.