

# Annual Report on employee misconduct and wrongdoing

2024-2025

Canada Revenue Agency



Canada Revenue Agency

Agence du revenu du Canada

Canada

2024-2025 Annual Report on employee misconduct and wrongdoing

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# Message from the Commissioner and Deputy Commissioner

In the spirit of transparency and continuous improvement, the Canada Revenue Agency (CRA) is pleased to present its second Annual Report on employee misconduct and wrongdoing, covering the 2024–2025 fiscal year. Building on last year’s foundation, this edition delivers a concise, narrative-driven portrait of how we uphold our values and respond to integrity lapses.

With the dedication of over 55,000<sup>1</sup> employees from coast to coast to coast, the CRA remains steadfast in administering tax, benefits, and related programs with integrity, professionalism, respect, and collaboration. Every CRA employee is guided by our Code of Integrity and Professional Conduct, the Directive on Conflict of Interest, and the Values and Ethics Code for the Public Sector.

Over the past year, the CRA rendered 266<sup>2</sup> disciplinary measures - from formal reprimands to terminations - each handled through fair and rigorous processes. In addition to reporting misconduct and the associated measures to address and manage cases, we also highlight relevant privacy and security incidents to help identify areas of risk that could be mitigated through stronger controls and prevention. We recognize and appreciate the courage it takes for employees to speak up and report their concerns. This is why the CRA continues to invest in training, awareness campaigns, and guidance to prevent misconduct and wrongdoing before it occurs.

This annual report is a key element of the CRA’s People Strategy and reflects our commitment to the former Clerk of the Privy Council John Hannaford’s renewed focus on values and ethics. By sharing the story behind the numbers - how allegations are managed, decisions are made, and lessons are learned - we reinforce our collective responsibility to foster an environment of accountability, integrity, and respect for all.

We welcome the conversations this report will spark and look forward to building on our progress together.

**Bob Hamilton (he/him)**  
Commissioner

**Jean-François Fortin (he/him)**  
Deputy Commissioner

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<sup>1</sup> Data source: CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2024-2025, March 2025

<sup>2</sup> Data source: GCcase, data extracted on May 5, 2025.

# Introduction

The Canada Revenue Agency (CRA) Annual Report on employee misconduct and wrongdoing reflects our ongoing commitment to accountability, vigilance, and continuous improvement.

This report summarizes all founded misconduct and wrongdoing at the CRA that resulted in disciplinary measures during the 2024–2025 fiscal year. Where relevant, comparative data from 2023–2024 is included to provide context. Disciplinary measures, the nature of findings, grievances, security revocations, and privacy breaches are reported only when they are directly linked to a disciplinary measure and meet statistical relevance thresholds.

As noted in the [first Annual Report](#), CRA employees have access to a variety of mechanisms to report allegations of misconduct. For reference, these mechanisms are outlined in [Appendix A](#) and [Appendix B](#). Both anonymous and confidential reporting mechanisms are available internally, and the CRA applies a “no wrong door” policy, ensuring that all allegations are directed to the appropriate channel for review. Key stakeholders work collaboratively to uphold this culture of integrity at the CRA, and their roles and responsibilities are detailed in [Appendix C](#).

The CRA investigates all allegations it receives related to questionable or unethical conduct of CRA employees. Allegations can be made through many channels and from a variety of sources, such as referrals from employees, managers, or members of the public. In accordance with CRA policy instruments, all allegations of misconduct are taken seriously and addressed accordingly. Employees also have access to fair and equitable grievance mechanisms to challenge decisions. Underlying all of these dissuasive mechanisms lies our robust Integrity Framework designed to prevent ethical lapses.

## Our Commitment to Privacy

Section 3 of the [Privacy Act](#) defines personal information as information about an identifiable individual that is recorded in any form.

It's any information that, alone or in combination with other information, can be used to identify a specific person. The Privacy Act applies to personal information under the CRA's control, such as taxpayer information and certain CRA employee information. It can also apply to information that is publicly available.

To uphold CRA's privacy responsibilities under the Privacy Act and safeguard the privacy of CRA employees, this report applies de-identification strategies such as thematic aggregation, generalization, suppression of small values (for any data point under 10) and rounding, in accordance with relevant Treasury Board of Canada Secretariat (TBS) guidance. This privacy-first approach allows the CRA to share meaningful insights into misconduct shifts while protecting confidentiality and ensuring ethical reporting.

# Methodological Overview

This second edition integrates key lessons learned from the inaugural report. This year's approach adjusts the scope to focus on disciplinary measures rendered during the 2024–2025 fiscal year. Figures reflect disciplinary outcomes, with additional data on privacy breaches, grievances, and security revocations included only when directly tied to a disciplinary measure rendered in 2024-2025. This refined scope aligns with the [Corporate Business Plan](#) and ensures the report remains focused, relevant, and distinct from other internal operational reporting products.

## Limitations

Due to variations in data extraction timelines, the information presented in this report may differ from that found in program-specific reports that rely on alternate extraction windows. The Annual Report is intended to identify overarching insights and integrating relevant data points into a cohesive and contextualized narrative. It is not intended to serve as an operational tool, nor does it reflect the status of ongoing or pending investigations, disciplinary actions, or grievance processes.

## Workload related to Canada Emergency Response Benefit

The 2024-2025 year was unique in that it marked the end of a large-scale internal investigation into CRA employees who allegedly inappropriately claimed the Canada Emergency Response Benefit (CERB). The CERB provided financial support to Canadians who were directly affected by the COVID-19 pandemic, receiving monthly payments of up to \$2,000 for up to seven months. Following internal investigations, certain CRA employees who were found to have fraudulently applied for and received CERB payments were subject to a range of disciplinary measures, up to and including termination of employment.

Given that the situation related to CERB was exceptional and does not represent the normal type or number of initiated investigations on an annual basis, all data related to CERB has been excluded from the 2024-2025 findings in this report so that meaningful comparative information can be reflected in subsequent annual reports on employee misconduct and wrongdoing.

In the 2024-2025 fiscal year, 109 disciplinary measures - of which 78 (72%) were terminations<sup>3</sup> - were linked to CERB investigations<sup>4</sup>.

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<sup>3</sup> Data source: GCcase, data extracted on May 5, 2025.

<sup>4</sup> These numbers represent the data for the 2024-2025 fiscal year only and will differ from cumulative data previously released to the media.

# Foundational Concepts

To support the interpretation of the data and insights presented throughout this report, the next section introduces key terms and the framework guiding the CRA's response to misconduct and wrongdoing.

Distinction should be made between misconduct and wrongdoing, both of which are taken seriously and may lead to disciplinary action.

**Misconduct** refers to a willful action or omission by an employee that contravenes an act, a regulation, a rule, the Code of Integrity and Professional Conduct, or a CRA policy instrument, and which may result in disciplinary action.

**Wrongdoing** is defined under section 8 of the [Public Servants Disclosure Protection Act](#) and includes breaches that may affect public trust or safety. Specifically, wrongdoing includes:

- (a) a contravention of any Act of Parliament or of the legislature of a province, or of any regulations made under any such Act, other than a contravention of section 19 of this Act;
- (b) a misuse of public funds or a public asset;
- (c) a gross mismanagement in the public sector;
- (d) an act or omission that creates a substantial and specific danger to the life, health or safety of persons, or to the environment, other than a danger that is inherent in the performance of the duties or functions of a public servant;
- (e) a serious breach of a code of conduct established under section 5 or 6; and
- (f) knowingly directing or counselling a person to commit a wrongdoing set out in any of paragraphs (a) to (e).

## CRA's Consequences to Misconduct and Wrongdoing

Misconduct may lead to disciplinary and/or administrative measures, depending on the individual circumstances, nature and severity of the behaviour.

### Disciplinary Measures

**Discipline** is rendered in accordance with the Directive on Discipline which includes the CRA Table of Disciplinary Measures. Acts of misconduct are categorized into groups that have a corresponding range of disciplinary measures. These groups reflect the relative seriousness with which the CRA views the misconduct and help ensure consistency in how discipline is applied across the organization.

The goal of discipline is to deter employees from engaging in misconduct, motivate employees to correct their behaviour when they have committed an act of misconduct, and encourage employees to adhere to the expected standard of conduct. When determining the appropriate disciplinary measure, the CRA considers the individual circumstances of the case; disciplinary measures may range from an oral reprimand up to and including termination of employment.

**Investigations** that lead to disciplinary measures may be conducted by the Internal Affairs Division, the Workplace Inquiries Centre, or by management in collaboration with Labour Relations.

Employees can grieve a disciplinary measure taken by the CRA in keeping with their terms and conditions of employment or collective agreement. **Grievances** are addressed in accordance with CRA Procedures for handling grievances.

## Administrative Measures

The CRA takes a multi-faceted approach to misconduct, using administrative measures not only to address unacceptable behaviour but also to promote corrective action.

**Privacy breaches** involve the improper or unauthorized access to, creation, collection, use, disclosure, retention, or disposal of personal information. They can result from employee actions that violate CRA policies, such as unauthorized access to, disclosure of, or failure to protect personal information. While some breaches stem from human errors, external threats, or system issues, those caused by negligence or misconduct raise accountability concerns and may trigger administrative responses. The impact of a breach is carefully assessed by the Privacy Breach Management Section in the Access to Information and Privacy (ATIP) Directorate. Privacy breach risk assessments review the sensitivity of the compromised information with the likelihood of misuse, to determine whether the incident poses a risk of harm to affected individuals. If it is determined that there is a potential risk of injury, affected parties may be notified and provided credit protection, if required. In addition, if a privacy breach is deemed material (i.e., could reasonably be expected to create a real risk of significant harm to an individual), the Office of the Privacy Commissioner of Canada (OPC) and the Treasury Board of Canada Secretariat are notified.

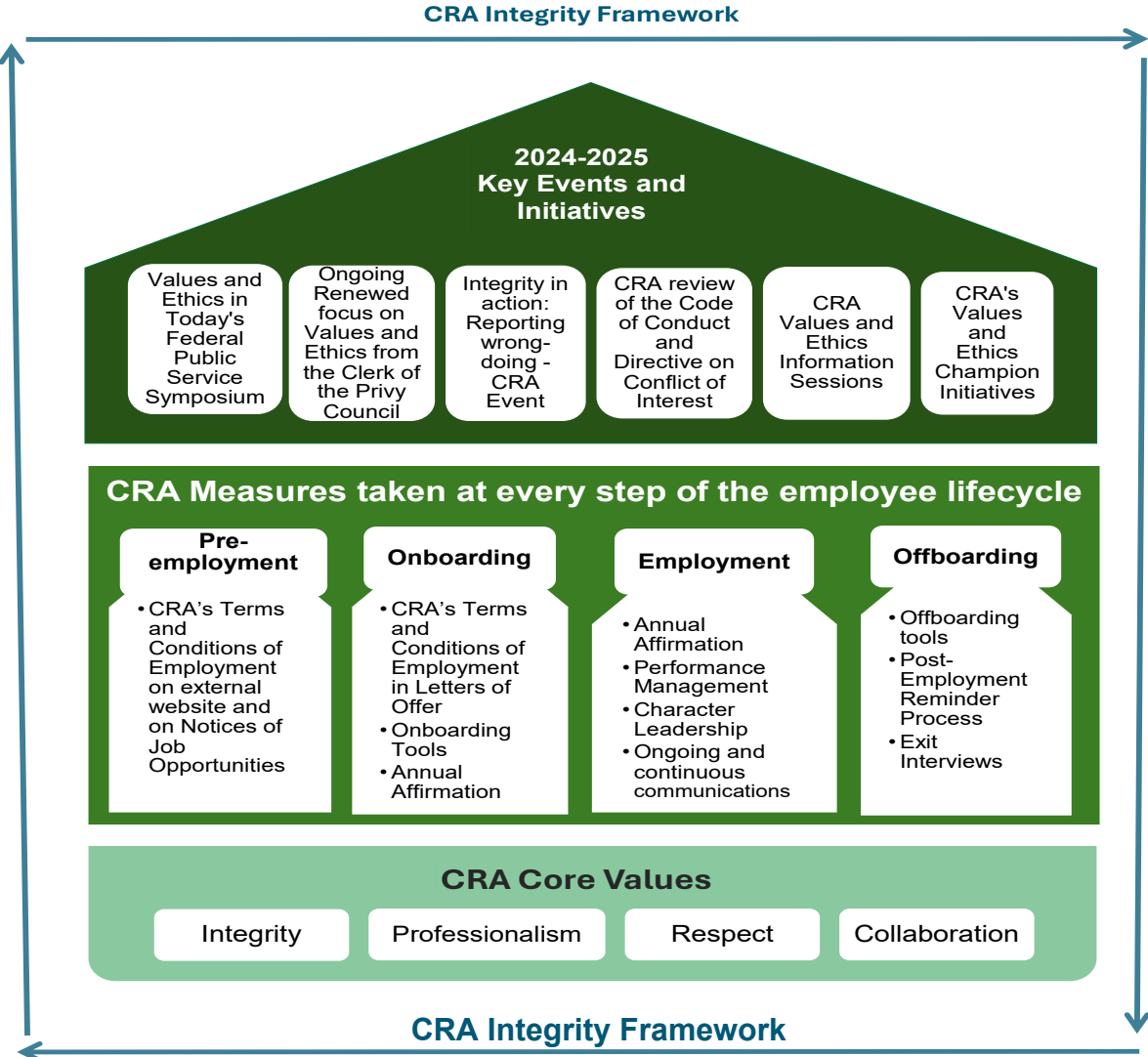
**Security revocations** occur when an individual no longer meets the trust requirements for accessing sensitive information. While the **revocation of a security status** is an administrative action separate from disciplinary measures, it is often triggered by similar concerns—such as trustworthiness or reliability. In such cases, misconduct can have broader consequences, including the loss of a security status and, potentially, continued employment.

In addition to these measures, **other administrative actions** may be implemented such as training, coaching, recovery of funds, removal from selection processes, or any other appropriate action. Furthermore, matters may be referred to the relevant compliance or benefit programs, competent law enforcement agencies, or other functional authority, as warranted.

# Integrity in Focus: 2024-2025

With the key terms and the CRA’s response framework now clearly defined, the following figure highlights the internal and external initiatives that influenced the CRA’s integrity environment during the previous year.

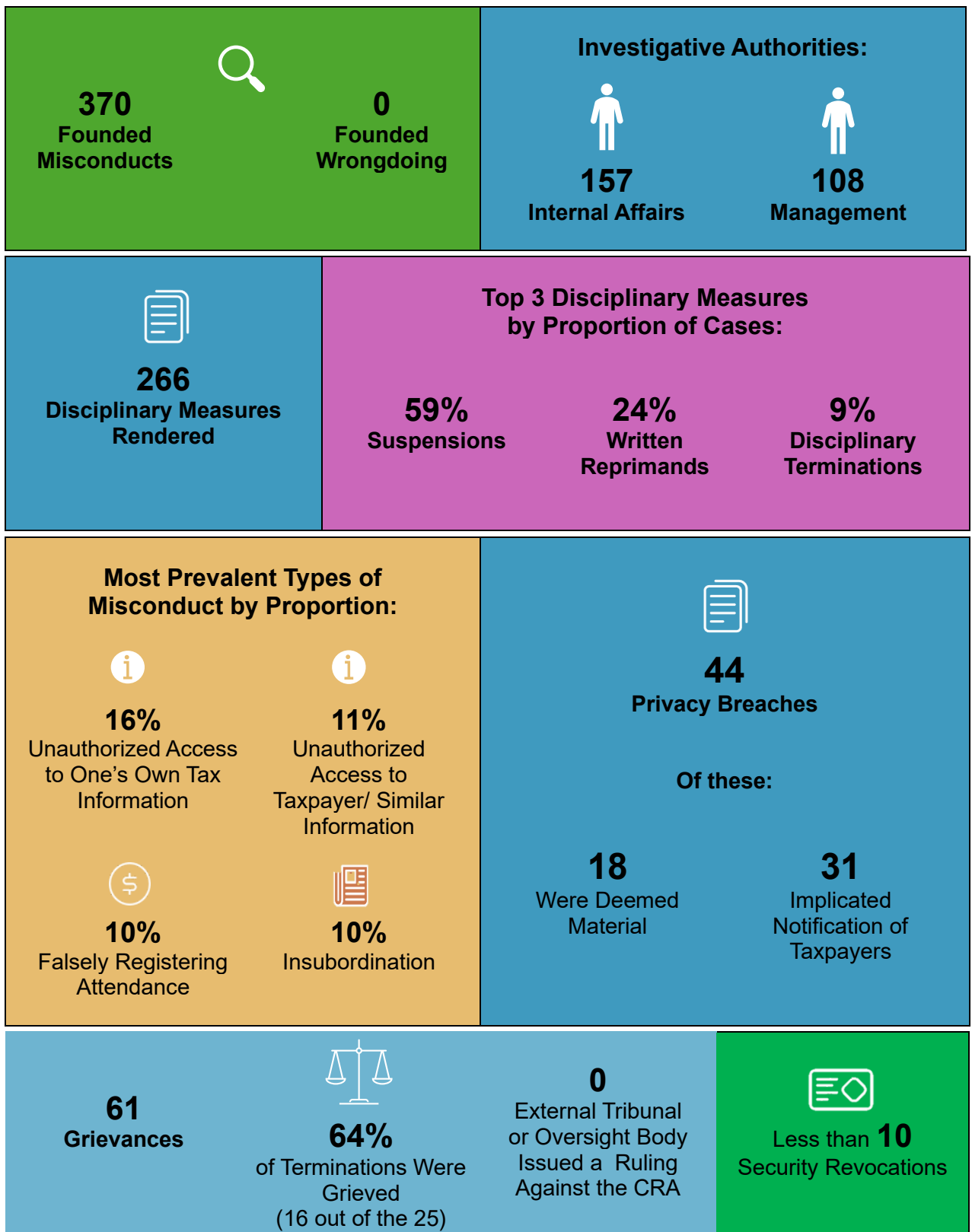
**Figure 01: CRA’s Culture of Integrity**



## 2024-2025 Key Integrity Metrics

The following figure provides a snapshot of key integrity-related statistics from the 2024–2025 fiscal year, highlighting insights into misconduct and disciplinary outcomes at the CRA. The figures presented below highlight the main metrics from the past year regarding misconduct and wrongdoing cases that resulted in disciplinary measures.

Figure 02: CRA's Integrity Metrics in brief, 2024-2025 <sup>5 6</sup>



<sup>5</sup> Notes:

- Since one disciplinary measure can address multiple founded misconduct, the total count of measures and findings of misconduct does not align. Disciplinary measures with fewer than 10 instances are not reported here.
- In order to protect privacy, only investigations with ten or more sources are reported. Consequently, Workplace Inquiries Centre investigations have been excluded from this figure.
- Of the 44 privacy breaches, 18 were deemed material, 28 affected fewer than 10 individuals/businesses and 11 affected more than 50 individuals/businesses.
- A small number of grievances were partially allowed, 25 denied (but some were submitted to higher levels), while the remaining were withdrawn, on hold, or in progress at the time of data extraction.
- Two cases proceeded to the Canadian Human Rights Tribunal—one resulted in a ruling, the other in a dismissal, while no cases were brought before the Office of the Public Sector Integrity Commissioner or Employment and Social Development Canada Labour Program.






<sup>6</sup> Data sources:

- GCcase, data extracted on May 5 and June 13, 2025.
- CRA's questionnaire, 2024-2025 Annual Report on the Public Servants Disclosure Protection Act.
- Enterprise Fraud Management System, data extracted on May 6, 2025.
- Security Revocations Dashboard, data extracted on May 23, 2025.
- ATIP Tracking System and ATIPXpress, data extracted on June 25, 2025.

## 2024-2025 Misconduct Key Areas of Interest

A closer examination reveals important distinctions in regard to founded misconduct across different categories. The table below highlights the volume as well as the most prevalent type of misconduct within each category. Each misconduct is grouped into a broad category, which then includes more specific types of misconduct.

**Table 01 – Key Misconduct Patterns per categories and types, 2024-2025<sup>7</sup>**

|   | CATEGORIES  | TYPES INCLUDED (NOT LIMITED TO)  | NUMBER OF FINDINGS | 24-25 KEY TAKEAWAY   |
|---|---|--|--------------------|--|
|    | <b>FAILURE TO PROTECT INFORMATION</b>                       | Negligence in securing sensitive or taxpayer information, such as allowing unauthorized access to personal, taxpayer, or confidential data—including one's own tax records.  | <b>131</b>         | <b>47%</b> of incidents involved employees accessing their own tax information without authorization |
|    | <b>FAILURE TO PROTECT CRA'S REPUTATION</b>                  | Contravening the Directive on Conflict of interest, demonstrating conduct that could negatively affect the CRA's reputation, or bringing the CRA or Public Service into disrepute.   | <b>111</b>         | <b>32%</b> of incidents involved insubordination   |
|    | <b>FAILURE TO PROTECT OUR ASSETS AND PROPERTY</b>           | Improper or careless use or neglect of CRA or taxpayer facilities or property [including cards, for example, identification cards, individual designated travel card (IDTC)].  | <b>53</b>          | <b>34%</b> of incidents involved the unauthorized use of CRA or taxpayer facilities or property      |
|   | <b>FAILURE TO PROTECT AND MANAGE PUBLIC FUNDS</b>           | Using a CRA acquisition card for personal transactions, falsely registering attendance or any other action that results in receiving remuneration for time not worked or making false statements under tax laws to gain unauthorized benefits.   | <b>42</b>          | <b>86%</b> of incidents involved employees falsely reporting attendance                              |
|  | <b>FAILURE TO FOSTER A HEALTHY AND RESPECTFUL WORKPLACE</b> | Behaviours include dangerous pranks or horseplay, contributing to a poisoned work environment, disregard for health and safety practices, physical violence, unauthorized or unacceptable absenteeism, or reporting to work under the influence. | <b>31</b>          | <b>65%</b> of incidents involved behaviour that poisoned the work environment                        |

<sup>7</sup> Data source: GCcase, data extracted on May 5, 2025.

## 2024-2025 Overview of Founded Misconduct<sup>8</sup>

This next section provides a deeper examination and more complete picture of all cases of misconduct and their outcomes<sup>9</sup>. Similar types of misconduct have been grouped under each CRA misconduct category previously presented.

To support meaningful analysis while protecting individual privacy, similar findings have been grouped by theme based on shared characteristics and all identifying details have been removed. Only groups containing 10 or more findings are presented for privacy reasons.

### Failure to Protect Information

The CRA treats incidents involving the mishandling or unauthorized access of sensitive data with the utmost seriousness. In addition to responding to incidents, the CRA has robust preventive measures in place—including employee training, Enterprise Fraud Management System, and strict access controls in order to reduce the risk of breaches before they occur.

In 2024-2025, there were 131 cases of founded misconduct related to information security<sup>10</sup>. Below are summarized examples of cases that occurred for this category of misconduct:

**Table 02: Aggregated Founded Misconduct Pertaining to Failure to protect information, 2024-2025**

- Forwarding CRA-protected information and passwords from CRA to personal email accounts without encryption
- Leaving workstations and devices unsecured, recording meetings on personal phones, and failing to report known data breaches
- Accessing or transmitting protected information from unsecured public locations
- Unauthorized access to own personal or third-party accounts—ranging from one access to over a hundred—including those of spouses, relatives, friends, former roommates, business partners, deceased individuals, and colleagues – occasionally involving confidential information sharing or preferential treatment

Disciplinary and administrative measures rendered included written reprimands, suspensions ranging from 1 to 30 days, rejection on probation and disciplinary termination.

<sup>8</sup> Data source: GCcase, data extracted on May 5, 2025.

<sup>9</sup> All disciplinary measures are rendered following an analysis of individual circumstances of the case.

<sup>10</sup> Due to privacy considerations, only types of misconduct with 10 or more similar findings are shown. As a result, the total number of grouped types does not equal the overall total of cases for this category.

# Failure to protect CRA’s reputation

Employee conduct, both on and off-duty, plays a critical role in establishing public trust. When standards are breached—through negligence, conflicts of interest, or other unprofessional behaviour—the CRA acts to protect its integrity and maintain public confidence.

In 2024-2025, there were 111 cases of founded misconduct that had the potential to negatively impact the CRA’s reputation<sup>11</sup>. These included:

- Insubordination (36)
- Negligence - careless disregard for the proper performance of duties (27)
- Conduct that could negatively affect the CRA's image (25)
- Violation of the Directive on conflict of interest (18)

Below are summarized examples of cases that occurred for this category of misconduct:

| <b>Table 03: Aggregated Founded misconduct Pertaining to Failure to protect CRA’s reputation, 2024-2025</b>   |
|---|
| <ul style="list-style-type: none"><li>- Failing to disclose outside employment or private business, failing to disclose partnerships or property holdings, receiving CRA funds into personal accounts</li><li>- Not reporting criminal associations or financial hardship, using CRA resources or credit cards for personal gain or misusing CRA status in off-duty settings</li><li>- Plagiarizing, approving personal expenses, sharing credentials, and making inappropriate comments while representing CRA</li><li>- Mishandling calls (e.g., excessive hold times, misuse of callback), disclosing sensitive information through unsecure channels and sleeping on duty</li><li>- Missing timesheets, manipulating email and calendar systems, and using other tools to give the impression of being present</li><li>- Insubordination, ignoring formal expectations or failing to follow requirement letters</li><li>- Teleworking from unauthorized or public locations, using personal devices for official work, failing to lock workstations or using internal systems in ways that undermine information security</li></ul> |

<sup>11</sup> Due to privacy considerations, only types of misconduct with 10 or more similar findings are shown. As a result, the total number of grouped types does not equal the overall total of cases for this category.

Disciplinary measures rendered included oral reprimands, written reprimands, suspensions ranging from 1 to 30 days and disciplinary termination.

## Failure to protect CRA's assets and property

As the CRA adapts to new ways of working, including remote and digital operations, the responsible use of organizational assets is more critical than ever. Misuse—whether through unauthorized use of equipment abroad, manipulation of system activity, or sharing login credentials—is taken seriously and met with appropriate consequences. The CRA continues to strengthen preventive measures, including employee training, digital monitoring, and clear policy guidance.

In 2024-2025, there were 53 cases of founded misconduct related to employees misusing CRA's assets and property<sup>12</sup>. These included:

- Unauthorized use of CRA or taxpayer facilities or property (18)
- Improper, careless use or neglect of CRA or taxpayer facilities or property (15)
- Unacceptable activities related to the electronic networks (11)

Below are summarized examples of cases that occurred for this category of misconduct:

**Table 04: Aggregated Founded misconduct Pertaining to Failure to protect CRA's assets and property, 2024-2025**

- Using CRA assets or property outside of Canada for periods ranging from 1 to 45 days and, in some cases, including roaming or long-distance charges
- Personal transactions on CRA credit cards
- Negligent or inappropriate use of CRA assets
- Manipulating a CRA laptop or using false MS Teams meetings to prevent computer from idling off while not working
- Sharing CRA credentials with third parties

While some cases did not result in disciplinary action<sup>13</sup>, other disciplinary and administrative measures included oral reprimands, written reprimands, suspensions ranging from 1 to 20 days, rejections on probation, and disciplinary terminations.

<sup>12</sup> Due to privacy considerations, only types of misconduct with 10 or more similar findings are shown. As a result, the total number of grouped types does not equal the overall total of cases for this category.

<sup>13</sup> While most disciplinary measures will fall within the suggested range of the table of disciplinary measures, delegated managers retain the authority to render a disciplinary measure outside (above or below) the range in exceptional circumstances. However, delegated managers must consult with the appropriate Assistant Commissioner before doing so as outlined in Appendix A of the Procedures for addressing employee misconduct.

# Failure to protect and manage public funds

The CRA is entrusted with the Canadian public funds. Misconduct involving the misuse or mismanagement of funds—such as inaccurate attendance reporting, or improper practices to gain financial benefits—undermines public trust and organizational integrity. The CRA addresses such issues through prevention, system controls, employee guidance, and a strong culture.

In 2024-2025, there were 42 cases of founded misconduct related to protecting and managing public funds. Of these, 36 of them involved the *Falsely registering attendance* type.

Below are summarized examples of cases that occurred for this category of misconduct:

| <b>Table 05: Aggregated Founded misconduct Pertaining to Failure to protect and manage public funds, 2024-2025</b>  |
|---|
| <ul style="list-style-type: none"><li>- Submitting timesheets for hours not worked</li><li>- Logging in late, logging off early, or missing scheduled shifts</li><li>- Periods of inactivity throughout the workday</li></ul> |

The number of hours misreported ranged from 65 to 1,352 hours, whereas the number of false or missed timesheet entries ranged from 49 to 210 entries.

While some cases did not result in disciplinary action, other disciplinary and administrative measures rendered included, suspensions ranging from 5 to 30 days, rejections on probation and disciplinary terminations. Administrative measures, including financial recoveries for hours not worked, were also applied.

## Failure to foster a healthy and respectful workplace

The CRA is committed to maintaining a workplace where all individuals feel safe, respected, and valued. Any form of harassment or violence—including actions, conduct, or comments that could reasonably be expected to cause offence, humiliation, or physical or psychological harm—is taken seriously and addressed through appropriate disciplinary action. The Agency continues to promote a culture of civility and inclusion through training, awareness, and leadership accountability.

In 2024-2025, there were 31 cases of founded misconduct related to failure to foster a healthy and respectful workplace. Of these, 20 involved *Behaviour that contributes to poisoning the work environment*.

Below are summarized examples of cases that occurred for this category of misconduct:

**Table 06: Aggregated Founded misconduct Pertaining to Failure to foster a healthy and respectful workplace, 2024-2025**

- Aggressive or disrespectful language towards supervisors or the public via MS Teams or email
- Inappropriate behaviour toward colleagues or the public by phone, MS Teams, email, or physical contact

While some cases did not result in disciplinary action, other disciplinary measures rendered included oral reprimands, written reprimands, and suspensions ranging from 1 to 10 days.

## Comparative Overview

To better understand the significance of this year's founded misconducts, this section compares 2023-2024 and 2024-2025 data to highlight different insights. For data points with very few founded misconduct cases, increases or decreases are likely only normal year-to-year variation and were excluded from this section. However, in categories with larger relative shifts, the increase is large enough to suggest more than random fluctuation and was included in the present section.

Because results can be influenced by both reporting and detection practices as well as employee behaviour, it will be important to continue monitoring over several years to see if these shifts persist and how we may interpret them.

## Year-over-Year Comparison<sup>14</sup>

### Disciplinary Measures Outcomes

Disciplinary data remained generally consistent with the previous year. However, several notable changes emerged:

- The total number of disciplinary measures rendered increased from 222 to 266, representing a 20% rise or 4.8 cases per 1,000 employees.
- Terminations remained consistent with last year, continuing to be tied to complex, multi-allegation cases involving the most serious cases of misconduct. This can suggest consistency in how the most serious misconducts are handled.

### Investigative Authorities

This year again, Internal Affairs remains the primary source of investigative authorities that led to discipline (157). It is worth noting that management-led investigations rose to 44% (75 to 108)<sup>15</sup>.

### Misconduct Patterns

Overall, founded misconduct increased by 15% compared to the previous year, rising from 322 to 370. This corresponds to a ratio increase from 5.1 to 6.6 cases per 1,000 employees. Future reports will continue to monitor these figures to identify potential trends.

As the figure below illustrates, each category of misconduct saw different changes, notably:

- Failure to protect CRA's assets and property founded cases of misconduct increased from 33 to 53
- Failure to protect CRA's reputation founded misconduct cases rose from 74 to 111

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<sup>14</sup> Data source: GCcase, data extracted on May 5, 2025.

<sup>15</sup> In order to protect privacy, only investigations with ten or more sources are reported. Consequently, Workplace Inquiries Centre investigations have been excluded.

**Figure 03 – Founded Misconduct by categories, 2023-2024 and 2024-2025<sup>16</sup>**

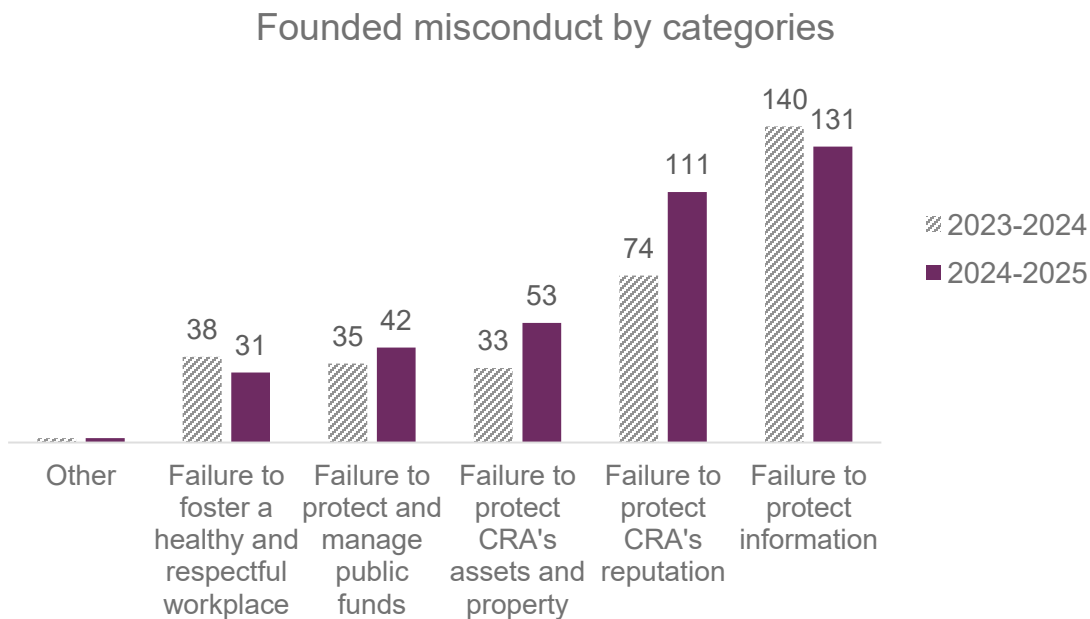


Table 07 below offers a more granular analysis of year-over-year changes in types of misconduct, organized by category of misconduct.<sup>17</sup>

**Table 07 – Misconduct Types Insights per categories, 2023-2024 and 2024-2025<sup>18</sup>**

| CATEGORY  | YEAR-OVER-YEAR COMPARISON   |
|---|---|
| <b>FAILURE TO PROTECT AND MANAGE PUBLIC FUNDS</b> | Falsified attendance increased from 17 to 36 founded misconduct cases   |
| <b>FAILURE TO PROTECT OUR ASSETS AND PROPERTY</b> | Unauthorized use of CRA or taxpayer facilities or property increased by 15 founded misconducts  |
| <b>FAILURE TO PROTECT CRA'S REPUTATION</b>        | Insubordination increased from 17 to 36 founded cases of misconduct<br><br>Conduct that could negatively affect the CRA's image increased from 13 to 25 |

<sup>16</sup> Data source: GCcase, data extracted on May 5, 2025.

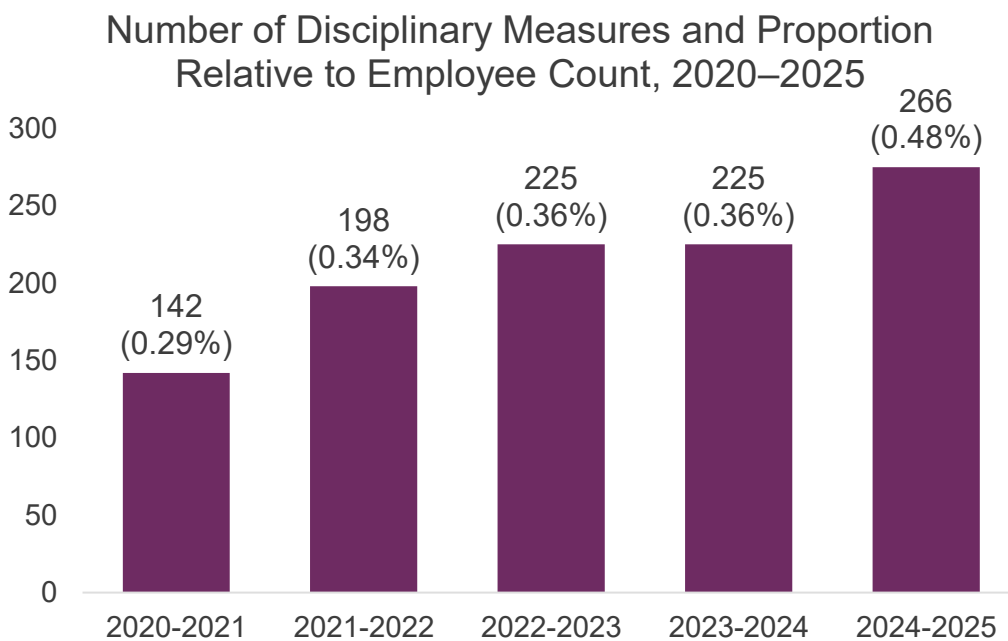
<sup>17</sup> Due to privacy considerations, only types with 10 or more similar founded misconduct cases are shown. As a result, the number of misconducts for 24-25 and percentage has been suppressed to protect confidentiality and privacy.

<sup>18</sup> Data source: GCcase, data extracted on May 5, 2025.

## Disciplinary Measures - Five-year Retrospective<sup>19</sup>

As the figure below illustrates, an overall increase in disciplinary measures rendered was observed from 2020 to 2025. The early years of the period (2020–2022) were likely influenced by the COVID-19 pandemic context—which may have contributed to fewer disciplinary measures due to remote work and operational disruptions. The 2024-2025 data with 266 measures may reflect an increase in reported or detected misconduct, or more consistent enforcement.

**Figure 04 – Number of Disciplinary Measures and Proportion Relative to Employee Count, 2020–2025**



<sup>19</sup> Data sources:

- GCcase, data extracted on May 5 and July 15, 2025.
- CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2024-2025, March 2025.
- CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2023-2024, March 2024.
- CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2022-2023, March 2023.
- CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2021-2022, March 2022.
- CRA Monthly Demographic Employee Profile by Region, Fiscal Year 2020-2021, March 2021.

## Forward-Looking Considerations

The absolute number of founded misconduct increased by 48 and disciplinary actions increased by 44 compared within the previous fiscal year<sup>20</sup>. This increase may be influenced by improved detection, heightened awareness activities, and broader organizational changes such as increased onsite presence requirements and budget constraints. Given the workforce (~55,000), these counts remain low in relation to the size of the population, but this year-over-year rise warrants attention and continued monitoring.

Since next year's report will cover more than two years of data, there will be an opportunity to apply statistical monitoring methods that help distinguish genuine trends from single-year fluctuations.

## Conclusion

This second annual report reaffirms our continued commitment to integrity, transparency, and accountability across the Agency. It reflects the concrete actions taken to investigate and address misconduct and wrongdoing and underscores the importance of maintaining a workplace grounded in respect, professionalism, and integrity.

While instances of misconduct may occur, they do not define the character of our organization. With 99.5% of CRA employees not subject to a finding of misconduct last year, the vast majority demonstrate integrity and dedication in their service to Canadians every day. It is this collective commitment that strengthens public trust and upholds the values we stand for.

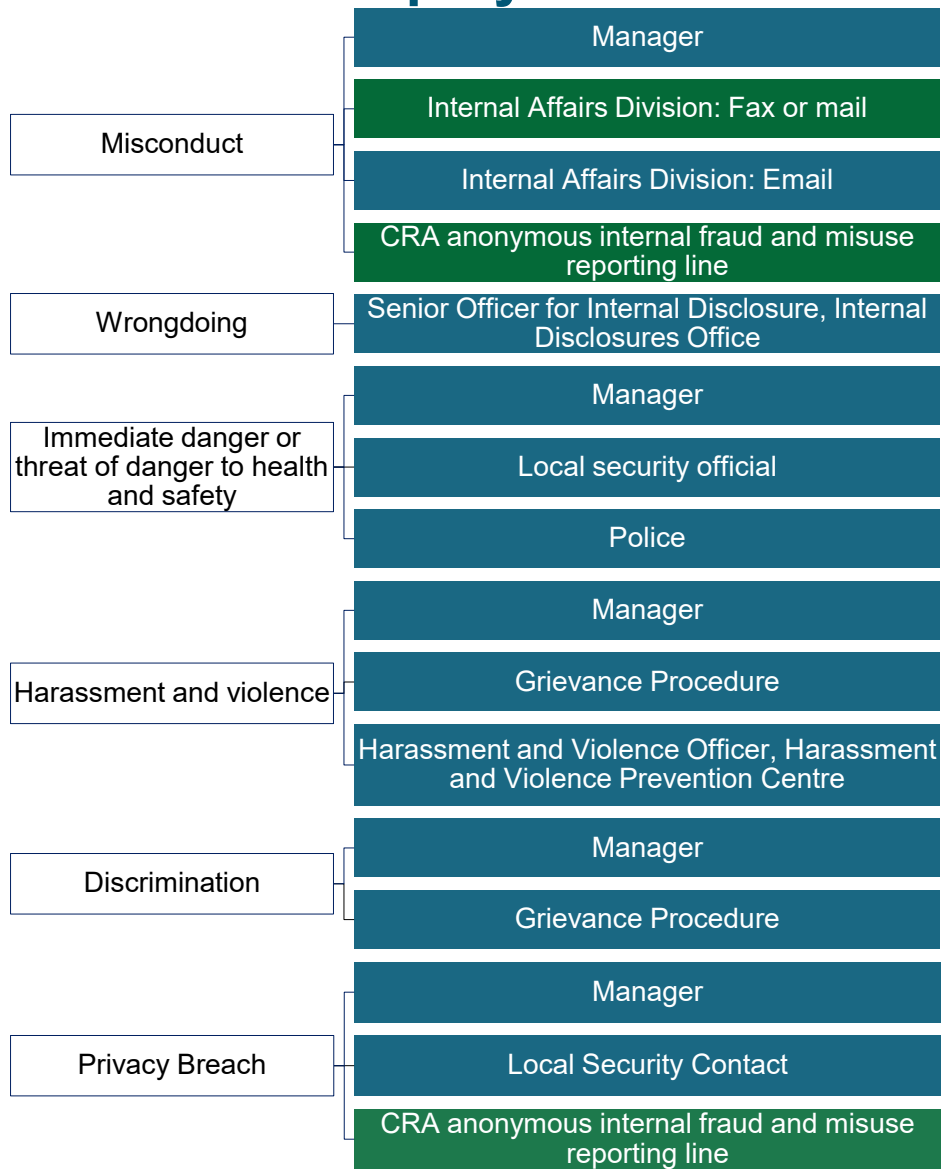
Through a robust Integrity Framework, clear policies, and ongoing training and awareness initiatives, we are equipping employees and leaders with the tools they need to act responsibly and confidently. We are also fostering a culture where individuals feel safe and supported in reporting concerns, knowing that appropriate actions will be taken.

The publication of this report is not only a reflection of the work done—it is a step forward in our journey of continuous improvement. Together, we will continue to build a workplace that reflects the highest standards of conduct and the shared values that guide our service to Canadians.

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<sup>20</sup> Data source: GCcase, data extracted on May 5, 2025.

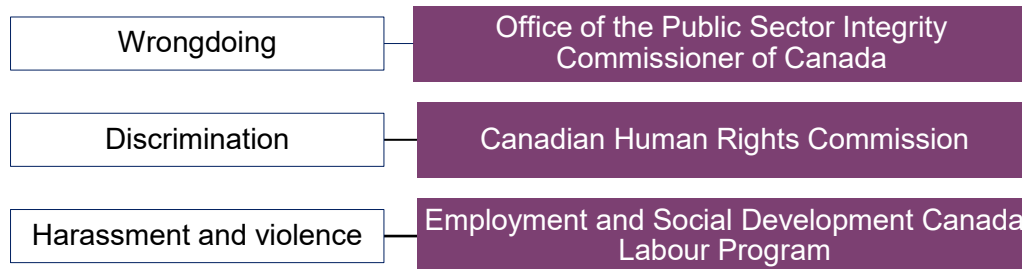
# Appendix A – Internal Reporting mechanisms for employees



## Legend

|                               |   |
|-------------------------------|---|
| <b>Anonymous mechanism</b>    | Identifying information of individual persons is not collected. To remain anonymous, employees should not provide any personal information or any information that would identify them.   |
| <b>Confidential mechanism</b> | Personal information must be collected, used, disclosed, stored, and disposed of in accordance with the Privacy Act, its Regulations, and related policies; and limited information may be shared as required with parties having a vested interest on a need-to-know basis only. |

## Appendix B - External Reporting mechanisms for employees<sup>21</sup>



## Appendix C - Roles and Responsibilities

### Audit, Evaluation, and Risk Branch:

#### Internal Disclosures Office, Audit, Evaluation, and Risk Branch

The mandate of the Internal Disclosures Office (IDO) is to allow employees to bring forward information concerning wrongdoing at the CRA, and to ensure they are treated fairly and are protected from reprisal when they do so in good faith in a manner consistent with the Public Servants Disclosure Protection Act.

When a matter, such as a human resources issue, could be more appropriately addressed using another process or recourse mechanism, the employee may be advised by the Internal Disclosures Office to explore those avenues (such as a grievance, the Informal Conflict Resolution Program, workplace harassment and violence prevention and resolution procedures, etc.). For more information and contacts, employees should refer to the CRA's Internal Disclosures Office.

Each year, the Chief Human Resources Officer of the Treasury Board of Canada publishes the [Annual Report on the Public Servants Disclosure Protection Act \(PSDPA\)](#), which presents a portrait of disclosure activities in the federal public sector made in accordance with the internal procedures established under the PSDPA.

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<sup>21</sup> Employee or manager may refer the complaint of contravention to the Employment and Social Development Canada Labour Program if: The employer disagrees with the results of the internal investigation; the employer failed to inform the NHSPC how and when the matter will be resolved; and the NHSPC does not agree whether or not the complaint is justified.

## **Human Resources Branch:**

### **Values, Integrity and Workplace Policies and Programs Division, Human Resources Branch**

The Values, Integrity and Workplace Policies and Programs Division directs the development of a comprehensive Values and Ethics Program and associated policies, strategies and initiatives, including the Integrity Framework, the Code of Integrity and Professional Conduct, Conflict of Interest portfolio, and Political Activities Program to ensure that the integrity of the Agency remains at the forefront amongst tax administrators nationally and internationally. The Labour Relations Policy and Program section is responsible for the Directive on Discipline, the Procedures for addressing employee misconduct and supporting tools. They also provide functional direction to the Workplace Relations Centres of Expertise and the WIC.

### **Workplace Harassment and Violence Prevention, Human Resources Branch**

The Harassment and Violence Prevention Centre work with managers and employees to effectively prevent occurrences of workplace harassment and violence. They aid in the resolution of the occurrences with a focus on preventing future occurrences. The Centre is responsible for the operational oversight consistent with the Canada Labour Code (CLC) Part II and the [Work Place Harassment and Violence Prevention Regulations](#). For more information and contacts, employees should refer to Addressing an occurrence of workplace harassment and violence. The CRA considers any threat or act of harassment and violence, by or against employees, to be acts of misconduct, but the Harassment and Violence Prevention Centre does not address harassment and violence from a misconduct perspective. When managers become aware of allegations of misconduct, and at each stage of the discipline process, they must consult with a labour relations advisor within the regional Workplace Relations Centre of Expertise. The workplace harassment and violence resolution process is not intended to be adversarial, find fault, or correct individual behaviour through discipline. It is a health and safety process.

### **Workplace Inquiries Centre, Human Resources Branch**

The Workplace Inquiries Centre (WIC) provides information on available prevention, resolution, and formal recourse processes to both managers and employees. They are responsible for reviewing and investigating allegations of misconduct related to discrimination, harassment, and violence when they are referred by management following consultation with Labour Relations. The WIC is also responsible for the investigator procurement process supporting the acquisition of external investigators as the need arises. For more information and contacts, employees should refer to Workplace Inquiries Centre.

## **Workplace Relations Centre of Expertise (Regions), Human Resources Branch**

The Workplace Relations Centre of Expertise is present within every Region at the CRA. Each Centre of Expertise actively supports compliance with the Directive on Discipline and related corporate policy instruments. They also provide consultation services and support to management, including on how to apply the Directive on Discipline, the Procedures for addressing employee misconduct, and relevant application tools.

### **Public Affairs Branch:**

#### **Privacy and Access Policy Division, Public Affairs Branch**

The Privacy and Access Policy Division plays a key role in supporting the Chief Privacy Officer in overseeing privacy compliance across the CRA. Its responsibilities include managing privacy breaches, coordinating privacy assessments, and developing and advising on policies and procedures to strengthen privacy and access to information management at the CRA.

As the CRA's centre of expertise on privacy and access to information policy, the division also ensures the CRA meets its statutory obligations under the Access to Information Act and the Privacy Act. This includes providing training and awareness opportunities to help employees understand and fulfill their responsibilities under both Acts.

### **Security Branch:**

#### **Internal Affairs Division, Security Branch**

The mandate of the Internal Affairs Division (IAD) is to provide national services for administrative investigations into allegations or suspicions of employee misconduct. The Agency Security Officer (ASO) is functionally responsible for the management of the Agency's security program. The ASO has delegated the IAD to conduct administrative investigations. This Division is responsible for the CRA anonymous internal fraud and misuse reporting line. The CRA established this reporting line to provide employees with a secure and trusted way to report suspicions or knowledge of internal fraud and misuse. To ensure the highest level of privacy and confidentiality, the line is managed by a third party, offering an additional layer of trust for those who may not feel comfortable using the organization's existing internal channels. For more information and contacts, employees should refer to How to report internal fraud and misuse.

## Personnel Risk Assessment Division, Security Branch

The Personnel Risk Assessment Division evaluates security risks related to CRA employees, assets, and information, particularly following the conclusion of an Internal Affairs investigation into allegations of misconduct.

If warranted, a formal review is initiated, including a Resolution of Doubt (ROD) interview. The ASO decides whether to maintain or revoke the individual's security status or clearance. A revocation leads to termination of employment for non-disciplinary reason because maintaining a valid security status is a condition of employment. All adverse information is retained and flagged for future reassessment in the event that the individual reapplies to work at the CRA.

### External resources:

#### Canadian Human Rights Commission

Under the [Canadian Human Rights Act](#), an individual or group of individuals may submit a Canadian human rights complaint to the Canadian Human Rights Commission (CHRC) related to any action or decision for which they have reasonable grounds to believe resulted in the unfair or negative treatment of a person under the prohibited grounds of discrimination.

#### Office of the Public Sector Integrity Commissioner of Canada

The Public Servants Disclosure Protection Act gives federal public service employees and others a secure and confidential process for disclosing wrongdoing in the workplace as well as protection from acts of reprisal as an alternative to employees reporting wrongdoing to their own department's Internal Disclosures Office. For more information and contacts, employees should refer to the [Office of the Public Sector Integrity Commissioner](#).

### Other resources:

Different confidential support measures are available to CRA employees and managers to support them and restore the work environment. Employees can access information on medical, psychological, and other support services available in their geographical area through the Employee Assistance Program by contacting either their Coordinator-Counsellor or the External Service Provider. They also have access to the Informal Conflict Resolution services in order to help prevent or resolve a workplace conflict.

## Appendix D - Definitions

The following section provides definitions of some key concepts central to this report.

**Administrative measure** refers to a range of corrective actions such as training, coaching, recovery of funds, modifying the employee's system access, revocation of security status or clearance, rejection on probation, etc. If an employee is incapable of meeting a particular performance expectation, or of attaining the expected quality of work because of a lack of skill, ability, or training (incapacity or incompetence), then administrative measures, and **not** discipline should be used to correct the behaviour.

**Disciplinary measure** refers to the employer's response to misconduct. The goal of discipline is to deter employees from engaging in misconduct, and when misconduct does occur, to motivate the employee to correct their behaviour, and adhere to the expected standard of conduct (except in cases such as termination of employment). Disciplinary measures can include an oral or written reprimand, suspension, financial penalty, demotion, or termination of employment.

**Discrimination** is **any** action, decision, policy or process in matters relating to employment with the CRA that differentiates adversely in relation to, or has an adverse effect on, an employee based on a prohibited ground of discrimination, or otherwise constitutes a discriminatory practice described in sections 7 to 14.1 of the [Canadian Human Rights Act](#).

**Harassment and violence**, as per the [Canada Labour Code](#), is any action, conduct or comment, including of a sexual nature, that can reasonably be expected to cause offence, humiliation or other physical or psychological injury or illness to an employee, including any prescribed action, conduct or comment.

**Misconduct** is defined as a willful action or omission by an employee that contravenes an act, a regulation, a rule, the Code of Integrity and Professional Conduct, or a CRA corporate policy instrument, and which may result in disciplinary action.

**Security incident** refers to any event that may threaten the safety, security, or integrity of CRA employees, assets, or information.

**Wrongdoing** as defined in section 8 of the [Public Servants Disclosure Protection Act](#):

- (a) a contravention of any Act of Parliament or of the legislature of a province, or of any regulations made under any such Act, other than a contravention of section 19 of this Act;
- (b) a misuse of public funds or a public asset;
- (c) a gross mismanagement in the public sector;

- (d) an act or omission that creates a substantial and specific danger to the life, health, or safety of persons, or to the environment, other than a danger that is inherent in the performance of the duties or functions of a public servant;
- (e) a serious breach of a code of conduct established under section 5 or 6; and
- (f) knowingly directing or counselling a person to commit a wrongdoing set out in any of paragraphs (a) to (e).