



Canada Revenue
Agency

Agence du revenu
du Canada



CANADA REVENUE AGENCY 2019-20 DEPARTMENTAL PLAN

The Honourable Diane Lebovillier, P.C., M.P.
Minister of National Revenue

Canada

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A MESSAGE FROM THE MINISTER



I am honoured to serve as Minister of National Revenue. This Departmental Plan clearly illustrates the hard work of Canada Revenue Agency employees toward fulfilling the CRA's mandate and the mandate given to me by the Prime Minister in November 2015.

I am committed to ensuring that the CRA is client-focused. Over the past three years, the government has launched a number of more secure services that make it easier for Canadians to file a return and get the credits and benefits to which they are entitled. We recently appointed a Chief Service Officer who will give a new impetus to the efforts of CRA employees to listen to our clients and improve services for all Canadians, particularly those from vulnerable segments of the population. They face challenges when filing a return or claiming credits and benefits. We have already made efforts to help them and, through significant investments in the Community Volunteer Income Tax Program and outreach activities, we will increase our efforts in this regard over the next few years.

My mandate also focuses on improving compliance. To ensure the fairness of the tax system for all Canadians and that everyone pays their fair share, the government has made significant investments to crack down on tax evasion and combat aggressive tax avoidance, both in Canada and abroad. This plan explains the advanced methods, such as cutting edge investigative and forensic tools, that the CRA will use to refine its approach and improve its results.

“The CRA is committed to listening to Canadians, changing how it operates and improving its services by putting Canadians at the centre of everything it does.

Achieving concrete results can only be accomplished if each employee contributes by providing innovative ideas and conducts their daily activities in the spirit of collaboration and with the utmost transparency.

As Minister of National Revenue and on behalf of the Canada Revenue Agency, I am proud to present the Departmental Plan 2019-20.

The Honourable Diane Lebouthillier, P.C., M.P.
Minister of National Revenue

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ABOUT THIS PLAN

This Plan covers the Canada Revenue Agency's (CRA) core responsibilities and describes the major environmental factors influencing the five strategic priorities that frame the objectives the CRA has in place for 2019-20, including perspectives to 2021-22. Overarching these priorities is the CRA's service transformation agenda. We will pursue this agenda to become a more agile and innovative organization capable of providing more client-centric services that respond to the needs and expectations of Canadians.

After a brief description of the five strategic priorities, this plan outlines the objectives that support those priorities and the initiatives that achieve the objectives. We also identify key supporting deliverables, in the form of commitments that the CRA is making to Canadians. At the end of the document are pages that briefly explain the CRA's structure, the resources Parliament has allotted to it, and major reinvestments the CRA is making to bring about the changes its operating environment demands.



This logo identifies areas of interest with regard to Gender-based Analysis Plus (GBA+). Equality, diversity, and inclusion are key priorities for the Government of Canada, and form the fundamental principles of GBA+.



This logo identifies areas of CRA experimentation. The CRA uses evidence-based experimentation to find new ways to address outstanding issues and provide taxpayers and benefit recipients with the best possible service.



CRA AT A GLANCE

* all figures are 2017-2018 values

\$14.5

billion in fiscal impact*

* Fiscal impact consists of tax assessed, tax refunds reduced, interest and penalties, and present value of future federal tax assessable arising from compliance actions. It does not account for the impact of appeals reversals and uncollected amounts.

\$33.8

billion in benefits paid

Total administered revenues and pension contributions, over

\$430

BILLION

44,667

employees nationally

HEADQUARTERS

12,148

employees

ATLANTIC REGION

4,122

employees

QUÉBEC REGION

5,158

employees

ONTARIO REGION

12,148

employees

PRAIRIE REGION

6,375

employees

PACIFIC REGION

4,716

employees

Percentage of refunds made to individuals by direct deposit

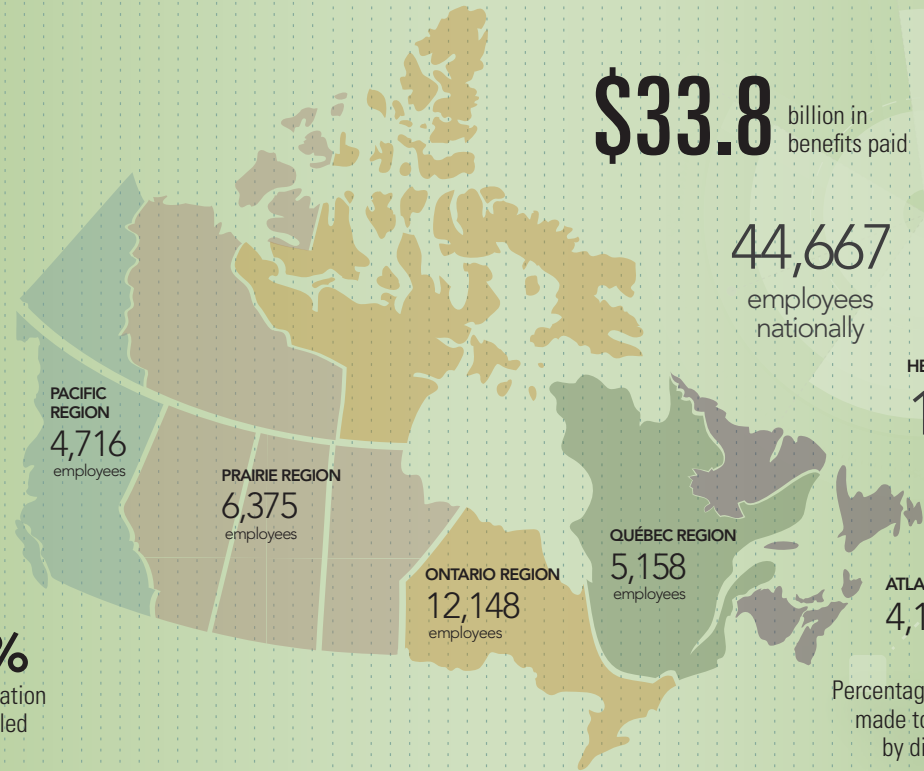
69%

87.6%

of individual tax returns and

90%

of corporation returns filed digitally



INTRODUCTION FROM THE COMMISSIONER



As Commissioner of the CRA, I am pleased to present the Departmental Plan for 2019-20 with perspectives on the following two years. The CRA has a long record of strong performance, playing a vital role in supporting the services and programs that governments deliver across Canada. Our vision is for the CRA to be trusted, helpful and fair by putting people first.

While there is much to be proud of, we know the world is changing rapidly and we are transforming to meet those changing needs. By listening to Canadians and through our World-Class Tax and Benefits Administration initiative, we are assessing ourselves critically and have identified areas for improvement. We are leveraging what we have learned to launch a more integrated approach to how the CRA delivers its services and programs, one that involves better collaboration internally and focuses on the needs and expectations of Canadians.

We are committed to consulting with Canadians to find out what services they need. We will reflect what we hear in designing our programs and

“ The Canada Revenue Agency is committed to listening to Canadians to understand their expectations and needs, and we will strive to meet them when designing and delivering our services.

delivering our services so that we can better reach people from diverse backgrounds. Our Chief Service Officer is leading the journey to enhance our program design and service delivery to ensure we are a world-class tax and benefits administration.

The CRA will sustain its leadership role within the Government of Canada in digital service transformation.

As we add more digital services for Canadians to use, the Agency will focus on citizen engagement to better understand what they need. In addition, increased digitalization of CRA data will contribute to better analysis, insight and decision-making, and lead to more innovative approaches to provide seamless service to Canadians.

We are adopting a more integrated approach to serving Canadians. In addition to our online service options, we will improve the available alternatives for those who choose to use them, so no one gets left behind. For those who may have unique needs, like seniors, first-time filers and newcomers, we will continue to develop tailored and proactive

support to help them apply for the benefits they are eligible for, claim available deductions, and meet their tax obligations. We also remain committed to reaching out to vulnerable populations and to fostering new partnerships with trusted service providers to reach Indigenous peoples and residents of northern communities.

We will enhance the fairness and integrity of Canada's tax system to maintain the trust of Canadians. Our approach to fairness will be grounded in a culture that emphasizes good communication and transparency. We will make greater use of education and support to make it easier for people who want to comply but who need help to understand and navigate the tax and benefits system. At the same time, we will take action against those who continue to choose not to comply so that the system is fair to all. We also know that our tax system is part of a global system. As vice-chair of the Organisation for Economic Co-operation and Development's Forum on Tax Administration, I will work with my international counterparts to help protect Canada's revenue base from abusive tax avoidance and outright evasion. This role helps the CRA to strive for greater certainty in international tax matters and ensures that governments in Canada continue to provide the services that Canadians expect.

We will create a diverse and inclusive workspace that attracts people who share our commitment to service excellence. We will continue to invest in our employees by promoting well-being, supporting mental health, assuring a healthy and respectful workplace, and minimizing pay and compensation issues. The CRA is also committed to constructive and meaningful consultation and dialogue at the national, regional and local levels with all federal public service unions that serve our employees.

We will harness the critical thinking of every employee to foster innovation. We will support CRA work teams to enable them to be collaborative, innovative and nimble so we continue to better meet the changing expectations of Canadians. Our unwavering commitment to innovation and experimentation will provide what we need to improve how we design our service programs and enhance fairness. We will seek further breakthroughs in business intelligence, better advanced data analysis techniques, more nudge messaging, and thoughtful ethnographic research.

This Departmental Plan sets out the priorities, initiatives and deliverables that will guide us as we put more emphasis on service in the CRA. In submitting this report, I would like to extend a sincere

thank you to all CRA employees who, in 2017-18, helped deliver almost \$34 billion in benefits to over 15 million Canadians, processed over 31 million individual and corporation returns, and administered over \$430 billion in revenues on behalf of governments across Canada. As we move to transform our organization, I have full confidence in the abilities of our employees to meet the challenges of change, under the direction of our Minister and the oversight of our Board of Management. Accomplishing this change will take time, but must occur for us to make our services fairer, more helpful, and easier to use. We are already seeing some signs of improvement, but we need a sustained effort to reach our goal.

Bob Hamilton
Commissioner of the Canada Revenue Agency

AGENCY CORE RESPONSIBILITIES



Raison d'être

The Minister of National Revenue is responsible for the Canada Revenue Agency (CRA). The CRA contributes to the economic and social well-being of Canadians by administering tax, benefits and related programs for governments across Canada, while promoting voluntary participation in our tax system.

Mandate and role

The CRA's mandate is to make sure Canadians pay their fair share of taxes and receive their rightful share of benefits. In fulfilling its core responsibilities, the CRA administers the *Income Tax Act*, the *Excise Tax Act* and the *Excise Act*; collects taxes on behalf of provinces and territories; collects certain non-tax debts for the federal government; and administers legislation relating to the Canada Pension Plan and the employment insurance program.

The priorities identified in this plan are horizontal, so relate equally to the achievement of both the tax and benefits core responsibilities.

Core responsibility: Tax

The core responsibility for tax is to ensure that Canada's self-assessment tax system is sustained by providing taxpayers with the support and information they need to understand and fulfill their tax obligations, and by taking compliance and enforcement action when necessary to uphold the integrity of the tax system, offering avenues for redress whenever taxpayers may disagree with an assessment/decision.

The CRA administers revenues for the Government of Canada, provincial and territorial governments and First Nations. The CRA also promotes the link between paying taxes and Canada's prosperity, including the many government services that benefit all Canadians. Tax activities include the following:

- informing Canadians of their rights, responsibilities and entitlements under Canada's tax laws, resolving cases of double taxation with tax treaty partners, issuing rulings and interpretations to clarify the application of tax law, and offering a graduated dispute resolution process
- registering businesses, charities and deferred profit sharing plans, administering insurability and pensionability for employment insurance and the Canada Pension Plan, processing and assessing client returns and collecting taxes owing
- doing reviews and audits and identifying, researching and prosecuting suspected cases of willful non-compliance

The CRA also administers billions of dollars in incentives for scientific research and experimental development, film and video production, and other targeted credits and deductions that generate refunds or reduce the amount of tax that would be owed.

Budgetary financial resources (dollars)

2019-20 Main Estimates	2019-20 Planned spending ¹	2020-21 Planned spending	2021-22 Planned spending
3,156,308,891	3,156,308,891	3,127,136,140	3,117,747,650

Human resources (full-time equivalents)

2019-20 Planned full-time equivalents	2020-21 Planned full-time equivalents	2021-22 Planned full-time equivalents
33,774	33,319	33,175

¹ Planned spending is identical to expenditure levels presented in the Main Estimates.

The following indicators are used by the CRA to assess its overall progress toward the achievement of its expected result for its tax core responsibility.

Expected result: Canadians voluntarily comply with their tax obligations, non-compliance is addressed, and Canadians have trust in the CRA.

Performance indicators	Target*
Percentage of Canadians who voluntarily participate in the tax system	Baseline year**
Public Perception Index: service experience	Maintain or increase
Percentage of external service standard targets met or mostly met	90%
Percentage of services available online	77%
Number of individuals helped by the Community Volunteer Income Tax Program	802,000
Percentage of total volume of improved correspondence (i.e. changes to structure, design, language and format)	95%

Performance indicators	Target*
Percentage of tax returns filed on time	90%
Percentage of businesses registered for GST/HST	90%
Percentage of reported tax liabilities paid on time	Baseline year**
Incremental revenue resulting from budget investments	\$1.644 billion
Incremental debt collected (resolved) resulting from Budget 2016 investments	\$7.4 B by March 2021
Ratio of collectible tax debt to total net receipts (cash accounting)	Baseline year**

*The timeframe for these performance indicator targets is the fiscal year (April 1, 2019, to March 31, 2020), unless otherwise indicated. For historical information on these indicators, go to the [CRA's departmental webpage](#), or see the annex.

**2019-20 is the baseline year for this measure; future results will be compared to the 2019-20 result.

Core responsibility: Benefits

The CRA's core responsibility for benefits is to ensure that Canadians obtain the support and information they need to know what benefits they may be eligible to receive, that they receive their benefit payments in a timely manner and have avenues of redress when they disagree with a decision on their benefit eligibility.

The CRA plays an important role in the support provided by federal, provincial and territorial governments to families and children. It helps reduce the depth of child poverty by providing Canadians with income-based benefits and other services that contribute directly to their economic and social well-being. The CRA administers four federal benefit programs: the Canada child benefit, the goods and services tax/harmonized sales tax (GST/HST) credit, children's special allowances, and the disability tax credit. The CRA uses its federal tax delivery infrastructure to administer almost 170 services and ongoing benefits and one-time payment programs, many of which are income-tested, on behalf of the provinces and territories. In all, the CRA issues nearly \$34 billion in tax-free benefit payments to over 15 million low- and moderate-income recipients every year.

Budgetary financial resources (dollars)

2019-20 Main Estimates	2019-20 Planned spending ¹	2020-21 Planned spending	2021-22 Planned spending
499,962,083	499,962,083	494,389,657	494,701,282

Human resources (full-time equivalents)

2019-20 Planned full-time equivalents	2020-21 Planned full-time equivalents	2021-22 Planned full-time equivalents
1,627	1,578	1,578

¹ Planned spending is identical to expenditure levels presented in the Main Estimates.

The following indicators are used by the CRA to assess its overall progress toward the achievement of its expected result for its benefits core responsibility.

Expected result: Canadians receive their rightful benefits in a timely manner

Performance indicators	Target*
Percentage of respondents satisfied with benefit application processing time	N/A**
Percentage of benefit payments issued to benefit recipients on time	100%

Performance indicators	Target*
Percentage of Canada child benefit recipients who provide complete and accurate information in order to receive the proper entitlement	N/A**
Percentage of taxpayers (benefit recipients) who filed as a result of targeted CRA intervention	10%

*The timeframe for these performance indicator targets is the fiscal year (April 1, 2019, to March 31, 2020), unless otherwise indicated. For historical information on these indicators, go to the [CRA's departmental webpage](#), or see the annex.

**These indicators will be reviewed during 2019-2020. More meaningful indicators will be introduced for 2020-2021.

Internal Services

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the ten distinct service categories that support program delivery in the organization, regardless of the Internal Services delivery model in a department. The ten service categories are: management and oversight services, communications services, legal services, human resources management services, financial management services, information management services, information technology services, real property services, material services, and acquisition services.

Budgetary financial resources (dollars)

2019-20 Main Estimates	2019-20 Planned spending ¹	2020-21 Planned spending	2021-22 Planned spending
781,810,643	781,810,643	759,643,696	771,422,277

Human resources (full-time equivalents)

2019-20 Planned full-time equivalents	2020-21 Planned full-time equivalents	2021-22 Planned full-time equivalents
6,364	6,267	6,230

¹ Planned spending is identical to expenditure levels presented in the Main Estimates.



TAXPAYER BILL OF RIGHTS

YOU HAVE THE RIGHT TO

- receive entitlements and to pay no more and no less than what is required by law
- service in both official languages
- privacy and confidentiality
- a formal review and a subsequent appeal
- be treated professionally, courteously, and fairly
- complete, accurate, clear, and timely information
- unless otherwise provided by law, not to pay income tax amounts in dispute before you have had an impartial review
- have the law applied consistently
- lodge a service complaint and to be provided with an explanation of our findings
- have the costs of compliance taken into account when administering tax legislation
- expect us to be accountable
- relief from penalties and interest under tax legislation because of extraordinary circumstances
- expect us to publish our service standards and report annually
- expect us to warn you about questionable tax schemes in a timely manner
- be represented by a person of your choice
- lodge a service complaint and request a formal review without fear of reprisal

The Taxpayer Bill of Rights describes the treatment clients are entitled to when they deal with the Canada Revenue Agency (CRA). The CRA operates on the fundamental belief that clients are more likely to comply with the law if they have the information and other services that they need to meet their tax obligations, receive all of their benefits entitlements and understand and can exercise their rights. Clients can expect that the CRA will serve them with high standards of accuracy, professionalism, courteousness, and fairness. The Taxpayer Bill of Rights also sets out the CRA Commitment to Small Business to ensure their interactions with the CRA are conducted as efficiently and effectively as possible.

COMMITMENT TO SMALL BUSINESS

THE CANADA REVENUE AGENCY IS COMMITTED TO

administering the tax system in a way that minimizes the costs of compliance for small businesses

working with all governments to streamline service, minimize cost, and reduce the compliance burden

providing service offerings that meet the needs of small businesses

conducting outreach activities that help small businesses comply with the legislation we administer

explaining how we conduct our business with small businesses

OUR STRATEGIC CONTEXT



The CRA conducts regular environmental scans and maintains a corporate risk profile to identify and manage key challenges and opportunities related to our core responsibilities. The Board of Management and the CRA have identified the following areas of risk and opportunity that we expect will have the greatest impact on the CRA during the planning period.

Service delivery

To better achieve its mandate, the CRA must place greater emphasis on designing programs and delivering services that are people-centred. The programs and services the CRA offers, whether in person, by telephone, by mail or electronically, must remain meaningful and responsive to the public's needs. The CRA must continue to seek and respond to feedback from Canadians and challenge itself to improve the service standards and performance indicators it now has in place. To foster greater levels of voluntary compliance and maintain the fairness of Canada's tax system, the education and support that the CRA offers to clients must be accessible, relevant, timely, accurate and complete.

Operational agility

The CRA needs better collaboration and integration within the organization to achieve its objectives. Greater collaboration across the CRA and within the federal government will make us more responsive to the needs and expectations of Canadians. Better integration will make us more agile and allow for the innovation needed to support the CRA's service transformation agenda.

Profit-shifting and offshore and aggressive tax planning

The borderless nature of modern commerce allows companies to expand operations beyond their home country to establish global competitive advantage. This creates increased complexity for tax administrations as it becomes easier to shift income, making it unclear where income is earned and where tax should be paid. Reassessments arising from the CRA's audits of complex tax cases are often challenged through the courts. These disputes require timely resolution to be viewed as fair and to provide greater tax certainty for all in similar tax circumstances. The judicial process and the complexity of the issues, however, can result in unavoidable delays.

Data security and privacy

Canadians trust that the CRA collects tax and benefit information for authorized purposes only. They must also be confident that the CRA will handle their data with the utmost security and strong privacy assurance.

Effective workforce

The face of the CRA must continue to reflect the society it serves, meaning that social and cultural diversity within our workforce will continue to be essential. We need ongoing strategic recruitment to make sure that the CRA has the specialized skill sets to support client-centred service and to add expertise in emerging technologies. We will also continue to recruit students to help address attrition from an aging workforce. The CRA must improve the speed of our staffing and work on employee development plans that enable staff to thrive in a client-centric work environment. We must develop and maintain comprehensive succession plans for executive positions to sustain leadership throughout the organization.

The CRA recognizes the importance of employee well-being. A healthy work environment is free from harassment and discrimination. We have put measures in place to maintain a respectful workplace by integrating a culture that reflects the policies and programs that have been designed through our Gender-based Analysis Plus, a tool that assesses how people of various genders may experience the CRA. The CRA also must work with

its Government of Canada partners to resolve outstanding Phoenix pay issues.

Emerging technology

The CRA must have the tools and computing capacity it needs to achieve its innovation objectives and its goals for client-centred program design and delivery. The CRA's capacity to provide its clients with a seamless service experience will be successful only if the approach also ensures CRA networks remain strong and secure.

Technology continues to be a key enabler for the advanced data analysis that gives the CRA greater insight into taxpayer behaviour. This work allows the CRA to more precisely and rapidly target non-compliance, whether it stems from unintentional errors or deliberate attempts to evade Canada's tax laws.

As automation continues to advance, technology continues to have a far-reaching and potentially disruptive influence. Emerging technologies, such as artificial intelligence and blockchain, offer

significant potential to address the expectations of Canadians. But they also carry risks that must be effectively managed.

Data management

To enhance its performance and optimize its decisions, the CRA must manage, use and govern its data assets and information strategically. Only by doing so will Canadians be assured that they will receive the benefits they are entitled to and that all CRA clients will continue to have access to the services they need and expect. Connecting its data systems, using third-party data (within the law), developing new tools and methods, and acquiring and developing technical expertise will help the CRA enhance its predictive analysis and its use of behavioural economics to improve filing, payment and reporting compliance.

OUR SERVICE TRANSFORMATION



The CRA is embarking on a journey to become a more client-centric organization. This means that our commitment to the client experience will be at the centre of everything we do, with a view to increasing trust in the CRA and fostering sustainable voluntary compliance. To help us achieve this, the Board of Management has established a sub-committee dedicated to service and we have created an advisory panel composed of senior executives from the public, private and non-profit sectors who have expertise in digital innovation, client-centric service design and delivery and complementary disciplines.

Service-by-design



The CRA aims to improve the client experience with us by working with clients to understand their needs and expectations and incorporating this into the design and delivery of CRA programs and services. By putting clients at the center of everything we do, we ensure that we are effective and fair. The long-term goal of this approach is to enable a seamless experience, regardless of how, when, or with whom in the CRA the client is interacting. Whether clients initiate their interaction online, through the mail, or over the telephone, the CRA will provide a consistent service experience that takes a holistic client view and makes use of technology and analytic tools to anticipate and respond to what each client needs at each turn. This omni channel experience will address clients' needs in a more timely way, and the consistency, integration and seamlessness of interactions will assure the client that the CRA is speaking with a single voice. It is our belief that creating a positive client experience by making it easy for clients to do business with us will result in higher levels of voluntary compliance with Canada's tax laws.

We will engage with clients to understand their needs and expectations for us to provide better programs and services.

- We will make sure that we have a clear sense of what matters to Canadians when interacting with us and identify what they want us to achieve to meet their needs and expectations.

We will work with our clients to eliminate 'pain points'.

- We will continuously engage our clients and solicit their input to improve the design and delivery of our programs and services by finding solutions where needed (i.e., clients' 'pain points'). We will work with clients toward a common goal, taking into consideration their unique needs and circumstances in each interaction and across all activities.

We will educate and assist to make it easy for clients to get it right.

- We will take an active approach to outreach, education and engagement to support sustainable voluntary compliance. We will be proactive in providing clients with education and assistance to make it easy for them to understand and meet their tax obligations and receive the benefits and credits they are entitled to. We will help them get it right from the start, based on their specific circumstances, using the resources available to them.

We will be transparent and accountable for our decisions.

- We will set ambitious, clear and meaningful service standards and be accountable for our work. We will make sure our decisions are grounded in quality information, that clients understand them and why we are making them and that we communicate all of this openly and clearly.

We will be trustworthy and fair at every turn.

- We will listen and act with integrity in all interactions with people, building trust from the inside out and demonstrating that we care. We will apply the law fairly and equitably, taking into account clients' diverse needs regardless of their capacity, environment and preferred method of interacting with us. Our first approach will be to connect and collaborate, across the CRA and at all levels, being open to others' perspectives and sharing information appropriately.

What this means inside the CRA

Service-by-design and focus on creating an excellent client experience means that all CRA employees understand our commitment to client-centric program design and service delivery. It also means that they are equipped with the right resources (such as information, training and tools) to support the delivery of an excellent client experience every time. CRA employees will be motivated and engaged in building a strong service identity through the support of clear behaviour expectations, support from all levels of CRA management, and in recognition of service excellence. We have taken first steps, including the creation of a Service Council made up of employees at all levels from across Canada to help create a common CRA culture in which everyone understands the importance of putting clients first. The CRA's fundamental values of collaboration, respect, integrity, and professionalism will be the anchor of this renewed service culture.

PRIORITIES



The Board of Management and the CRA have identified the following five priorities to guide the CRA in delivering on its core responsibilities during the period covered by this Plan. These priorities embody an ambitious change agenda that will require a number of years to bring to maturity.

Providing a seamless service experience



The CRA's prime objective over the planning period will be to strengthen its service culture and develop an integrated approach to designing programs and delivering services. We will communicate directly with Canadians and listen to them as we research improvements to our services.

The Board will encourage the CRA to engage with Canadians through a variety of means, seek their feedback on its service offerings and adjust its programs accordingly. It will make sure that all programs and services are designed with clients at the center. The Board will also monitor and provide advice about the CRA's digital service offerings and its progress in partnering with other government departments and private sector organizations to improve service.

Maintaining fairness in Canada's tax and benefits administration

Fair administration of Canada's tax laws contributes to the public services that are making a difference in the lives of Canadians. Recent investments by the Government of Canada will allow us to meet or exceed our commitments to address tax evasion and aggressive tax avoidance and to enhance efforts to collect taxes.

The Board will support the CRA's planned improvements to support fairness and compliance by ensuring new approaches are implemented quickly, especially in the areas of business intelligence, data analytics and predictive modeling. A horizontal, client-centric service approach will permeate all of the CRA's lines of work.

Strengthening trust, transparency, and accountability

Canada's voluntary self-assessment system is sustained in large measure by the trust Canadians place in the CRA. We will do more to gain Canadians' trust by putting in place ambitious and meaningful performance measures that are responsive to those who interact with us and we will be accurate and transparent in reporting our results.

The Board will hold the CRA to account for results against its mandate by repeatedly reviewing major service delivery projects as they evolve. The Board will insist on clear performance measures for all CRA services, and will rigorously and regularly monitor the CRA's progress.

Enabling innovation



To overcome the complex challenges the CRA faces in the environment it operates in, we must try different things, take intelligent risks and adopt a more holistic approach to innovation. We strive to improve our performance measures so we can better understand how innovation is having an impact, including in situations where experimentation addresses challenges before they arise.

The Board will push for more innovation at the CRA to strengthen the services it delivers to Canadians. It will encourage the CRA to partner with other government departments, the private sector and other stakeholders in piloting new technologies to improve its services. The Board will also encourage employees to discover innovative methods to conduct business and it will support the CRA's efforts in data analytics, data mining and research.

Empowering our people to excel

To best serve Canadians, the CRA must build and maintain an engaged and productive workforce and a healthy, inclusive workplace free from discrimination and harassment. We will recruit and develop employees to provide the expertise and experience necessary to bring about the service transformation and compliance excellence that we are striving to achieve.

To effectively oversee the management of personnel, the Board will support the CRA in making sure it has the right leaders. They should possess a character that exemplifies the CRA's values and desired service culture and should be capable of motivating, leading and supporting their people in realizing the service vision. The Board will also insist on and monitor meaningful and achievable human resource performance indicators. These should promote and reinforce a continued commitment to making positive impacts on communities across Canada.



The Board of Management supports the CRA's commitment to social responsibility and to the contributions of CRA employees to their communities. Throughout the plan, you will see examples of activities and programs the CRA engages in to make Canada a better place to live.

PROVIDING A SEAMLESS SERVICE EXPERIENCE



Modest income shouldn't be a barrier to filing a return, or to getting benefits and credits. Through the Community Volunteer Income Tax Program, the CRA provides support to community organizations that help vulnerable groups across the country.

Seamless services are designed to be easy to use and integrated to provide a consistent client experience across all CRA services, whether online, by mail, by telephone or in person. Our goal is to use client-centric service and program design and delivery to make it easier for Canadians to find and get consistent information and services regardless of how they interact with us.

The CRA will take steps to understand the client experience. This will help ensure our services and programs are designed and delivered in a way that anticipates and responds to what the client needs and expects at each turn. We will use tools such as consultations, surveys, public opinion research, review of feedback and other data collection techniques to better understand the diverse experiences of our clients.

Providing a seamless service experience involves:

- reaching out to Canadians
- helping get it right the first time
- making it easy
- resolving disputes and requests for relief

Reaching out to Canadians



Budget 2018 provided the CRA with an additional \$9 million annually to help vulnerable Canadians get benefits and tax credits to improve their quality of life. This investment will go to the Community Volunteer Income Tax Program (CVITP), where community organizations hold free tax clinics to help modest-income individuals file their income tax and benefit returns. The CRA will be able to conduct more outreach activities,

help more individuals through the CVITP and help community organizations that participate in the CVITP to hold more tax clinics throughout the year.

To help self-employed individuals and small- and medium-sized businesses meet their tax obligations so that they can continue to contribute to a thriving economy and a growing middle class, our Liaison Officers visit them to inform and help them, based on their specific circumstances. Over the planning period, we will:

- consult individuals (online and in person) during tax-filing seasons on service improvements
- provide in-person guidance to Indigenous communities and others living in Canada's north at three new Northern Service Centres in Whitehorse, Yellowknife and Iqaluit
- hold a series of "design jams" with key stakeholders and users to co-create service improvements that respond directly to client needs

- experiment with ways to contact Canadians who are entitled to benefits payments but who are not receiving them
- consult further with the small business community through our Serving You Better initiative to hear first-hand from businesses on ways to improve CRA programs and services to better promote voluntary compliance
- consult small- and medium-sized businesses, through the CRA's post-audit survey, to obtain feedback on our service orientation during audits

Our commitment to Canadians

- **April 2019** – expand our Liaison Officer service, including visits and seminars related to carrying on business in northern Canada
- **March 2020** – increase by 14% the number of individuals the CVITP helps, representing about 100,000 more individuals
- **March 2020** – increase by 15% (200) the total number of outreach activities to vulnerable segments of Canada's population

Helping get it right the first time

The CRA recognizes the importance of helping Canadians get it right the first time no matter how they choose to interact with us. The CRA's call centres answer millions of enquiries every year. To address recent recommendations by the Auditor General, the CRA has implemented a three-point action plan to modernize our call centres, improve agent training and update service standards, supported by additional funding from Budget 2018. An important step we take when improving our services is to seek out and analyze feedback from those we serve, including individuals, businesses and the charitable sector. For example, we talk with Canadians to make sure our application forms for the Canada child benefit are easy to use and understand. Over the planning period, we will:

- continue to consult with Canadians (using post-call surveys, for example) to better understand their expectations about what constitutes good telephone service
- enhance the flow, navigation and search features of our webpages to help users better understand their tax requirements and benefit entitlements
- make it easier for organizations to apply for charitable status and, once registered, meet their filing obligations
- use on-site visits, webinars and social media to consult with producers, registrants and sector associations and improve awareness of licensing and excise duty collection requirements related to cannabis products and charges under the *Greenhouse Gas Pollution Pricing Act*

Our commitment to Canadians

- **April 2019** – use information gathered through public opinion research to update our external service standards and related targets for accessible and timely telephone services
- **June 2019** – launch new online services for charities, available through My Business Account, including forms to help organizations fill out and send applications for charitable registration and file annual information returns
- **July 2019** – launch a simplified Canada child benefit application form, in paper and online formats, to improve service to about 200,000 applicants annually
- **March 2020** – make it easier for callers to identify themselves (authenticated through a personal identification number) when calling CRA individual and benefits enquiries lines

Making it easy



It has long been the CRA's goal to create a digital service experience for Canadians that is user-centric, secure and digital from end-to-end. Though we have introduced many innovative digital services to make it easier for Canadians to interact with the CRA, there is still work to be done. We will:

- engage with our users to redesign our secure webpages and digital services and make it easier for Canadians and their representatives to do their tax and benefits business online
- conduct focus groups and engagement sessions to develop a better understanding of Canadians' digital needs and expectations
- map Canadians' interactions with the CRA and identify where these interactions are most difficult across our service channels
- examine the client experience across CRA digital and non-digital service channels to support an omni-channel strategy, including a refreshed digital service agenda that is based on our findings

Our commitment to Canadians

- **February 2020** – enable clients to submit a single authorization for a representative to access information on both their business and individual account
- **May 2020** – enable clients who are being audited and their representatives to view all appropriate audit information related to their account through secure online portals
- **October 2020** – improve the user experience of our Submit Documents service by confirming to users that we have received documents they sent electronically
- **October 2021** – send email reminders to businesses that returns or payments are due to help them comply voluntarily

Resolving disputes and requests for relief

When our clients are not satisfied with a decision from the CRA, they have the option of a fair and impartial process to resolve disputes and request relief. Clients deserve to receive a timely response when they have filed a dispute, which is an area the CRA has been working to improve. To enhance our services related to objections, appeals and requests for relief, we will:

- improve and diversify the ways we communicate information to clients and solicit their feedback on our programs
- promote early resolution of issues for clients instead of resorting to formal disputes
- use enhanced technology and process improvements to provide quicker decisions for clients' disputes and requests for relief

Our commitment to Canadians

- **October 2019** – survey clients about their experiences with the CRA's objections process and ask for ideas for improvement
- **February 2020** – expand our use of social media and launch videos to increase clients' awareness of how they can access our programs
- **March 2020** – keep clients who file complex taxpayer relief requests informed of the progress of their case so they will know when they can expect our decision
- **March 2021** – analyze past objections decisions and share lessons learned with our assessing, verification and audit teams to identify changes that would prevent disputes from occurring in the first place
- **March 2021** – develop an online version of our Taxpayer Relief Request form to make it easier and faster for taxpayers to send their request

MAINTAINING FAIRNESS IN CANADA'S TAX AND BENEFITS ADMINISTRATION



Service means making sure Canadians know how to meet their tax obligations. Liaison Officers visit small business owners at key points in their business cycle to provide valuable information.

The CRA seeks to apply the law equitably to maintain the fairness of Canada's self-assessment system. This ensures Canadians continue to have access to the programs and services they expect from federal and provincial or territorial governments. Our objective is to make it easier for taxpayers to comply with Canada's tax laws and make it hard not to. The CRA is committed to using service to promote voluntary compliance. We communicate in an honest way with those who, by error or intent, do not pay their fair share of tax.

The CRA focuses its audit and investigative resources on areas of highest risk to identify where people are not paying the tax they owe. We also engage with our global counterparts through various forums to examine how other tax administrations assess risk to their revenue base, and we identify areas of common concern across jurisdictions.

In an effort to maintain fairness in Canada's tax and benefits administration, we will be:

- using business intelligence to improve fairness
- collaborating with international tax administrations
- addressing tax evasion and aggressive tax avoidance
- reducing the social acceptability of the underground economy
- resolving taxes assessed but not yet paid

Using business intelligence to improve fairness

Understanding how and why taxpayers do not always comply is critical to preserving the fairness of Canada's tax system, which supports programs and benefits that improve the quality of life for all Canadians. The CRA has delivered on its commitment to study the tax gap, publishing four reports since 2016. Estimates of the tax gap provide information to the Government of Canada and the public on tax non-compliance and helps to deliver on the federal government's commitment to transparency. Building on these reports, the CRA will continue to publish on other aspects of the tax gap.

Recent Government of Canada investments have provided the CRA with permanent funding to expand our capacity to gather information about non-compliant taxpayers and to increase the number of audits we perform on those we determine are most at risk of non-compliance. Gaining access to better data and improving our business intelligence lets us identify the interventions that will best support long-term voluntary compliance. It also allows us to contact Canadians who are entitled to, but are not receiving, benefit payments. By complementing this work with advanced data analysis techniques, we can take a more targeted and risk-based approach to compliance and in turn improve how fairly we administer tax and benefits. Over the planning period, we will:

- increase the use of third-party data to enhance available business intelligence and demonstrate actionable compliance in the validation of tax returns
- expand our risk assessment and business intelligence tools to better detect significant non-compliance by small and medium enterprises, and improve our capability to identify and disrupt high-risk networks of those who engage in tax evasion and abusive tax avoidance, including promoters and advisors of tax avoidance schemes, and taxpayers who invest in these schemes

Our commitment to Canadians

- **June 2019** – publish a report on the corporation tax gap
- **June 2019** – use data mining techniques and analytics to develop risk models of non-compliance within the sharing economy
- **March 2020** – experiment with insights rooted in behavioural economics to “nudge” businesses to respond better to our efforts to bring them back into compliance

Collaborating with international tax administrations

In the context of the global economy, effective and fair tax administration is best achieved when all countries collaborate. The CRA has led efforts to strengthen tax administration capacity in developing countries through our membership in the Organisation for Economic Co-operation and Development (OECD) Forum on Tax Administration (FTA). Since September 2017, Commissioner Hamilton has served as the Vice-Chair of the FTA, where he sponsors both the Capacity Building Network and the International Compliance Assurance Programme.

In March 2019, following the CRA's collaboration with its international partners and the OECD, an initial risk register was published and made available to all FTA member countries. This register contains agreed descriptions of transfer-pricing risks so participating countries can share understanding, improve risk assessment, and streamline options for multilateral collaboration. Canada has joined with Australia, the Netherlands, the United Kingdom and the United States to share criminal investigations strategies and intelligence, as well as to conduct joint operations in the fight against those who commit, promote and enable international tax crimes, money laundering and cybercrimes. Canada is also an active member of the Joint International Taskforce on Shared Intelligence and Collaboration (JITSIC), a network of 38 national tax administrations; Canada is leading JITSIC work to better identify high net-worth individuals who inappropriately reduce their tax liabilities. We will continue our efforts on these fronts and:

- examine how tax administrations in participating FTA member countries assess risk in areas that lead to most disputes (such as transfer pricing) to achieve a common understanding of what constitutes risk to tax compliance
- develop and host the Knowledge Sharing Platform for Tax Administrations, a global online tool to encourage G20 countries and international tax organizations to share tax knowledge and expertise to enhance tax capacity-building efforts in developing countries

Our commitment to Canadians

- **March 2020** – target individuals attempting to conceal income or assets offshore using an automated internationally used system to detect tax avoidance and facilitate multi-lateral information exchanges
- **March 2020** – increase audit coverage of high net-worth individuals to identify those who claim non-residency to avoid domestic income tax
- **December 2021** – complete the international register of key compliance risks related to transfer pricing

Addressing tax evasion and aggressive tax avoidance



Both domestic and international tax evasion and aggressive tax avoidance can place the integrity and fairness of Canada's tax system at significant risk. Preventing tax evasion and aggressive tax avoidance helps ensure that governments across Canada have the funds needed to support the middle-class and assist the most vulnerable Canadians, including those living in poverty. Tax information sharing and international cooperation are paramount to fighting international tax avoidance and evasion, serving as a deterrent and a means to identify non-compliance and abuse. For many years the CRA has been engaged in exchanges of information under legal instruments like treaty and multilateral conventions.

To help address tax evasion and aggressive tax avoidance, the Government of Canada made a combined investment of over \$1 billion in its 2016, 2017 and 2018 budgets. With this additional funding, the CRA has expanded its tools and capacity to target those who attempt to conceal their assets to avoid paying their fair share of tax. Over the planning period, we will:

- continue to identify taxpayers most at risk of concealing their income or assets offshore through better risk assessment and by reviewing international electronic funds transfers
- pursue additional tools to strengthen our ability to investigate and audit those involved in aggressive tax planning and tax evasion
- better target and address the most egregious cases of tax evasion and aggressive tax avoidance by implementing cutting-edge investigative and forensic tools
- implement strong standards for transparency in corporate and beneficial ownership that provide safeguards against money laundering, terrorist financing, tax evasion and aggressive tax avoidance, while continuing to make it easy to do business in Canada

Our commitment to Canadians

- **March 2020** – 33% of our most complex criminal investigations (involving international schemes, collaboration with other law enforcement agencies, potential money laundering, etc.) will include taxes evaded of \$1 million or more
- **March 2020** – pursue over 1,000 offshore audits despite the lack of cooperation and the possibility of litigation

Reducing the social acceptability of the underground economy



A major compliance priority for the CRA is to reduce the social acceptability of, and participation in, the underground economy. This will help protect Canada's revenue base and provide Canadian businesses, particularly small businesses, with a level playing field and allow for fair competition. The CRA has a three-year strategy that endeavours to support honest businesses by focusing our efforts on addressing taxpayers who are at a higher risk of participating in the underground economy. We will:

- engage Canadians through targeted messaging and more online information with a focus on early education about the underground economy
- work with our provincial and territorial partners to share information and identify taxpayers who are not fully compliant
- learn from other tax administrations that implement creative initiatives to encourage compliance and reduce participation in their underground economy
- educate participants in the growing sharing economy of their tax obligations to encourage them to continue to comply or to resume complying

Our commitment to Canadians

- **January 2020** – identify cases where those using digital currencies, those involved in speculative markets and commercial operators in the sharing economy are at the highest risk of under-reporting their economic activity
- **March 2020** – develop new communications products (tax tips, social media messages, etc.) through consultation with key stakeholders to raise awareness about how participating in the underground economy affects government funded programs and services available to Canadians
- **March 2020** – expand the reach of our specialized audit teams who perform underground economy audits with a focus on identifying unreported income

Resolving taxes assessed but not yet paid



The CRA collects tax debts, as well as other types of debt, assessed through federal, provincial and territorial laws. Managing tax debt is critical to protecting Canada's revenue base and providing governments across Canada with the revenue needed to support programs and priorities. We take responsible enforcement actions against people who intentionally try to avoid paying their share of taxes. Over the planning period, we will:

- enable taxpayers to select their own payment arrangement through our website to resolve tax they owe
- ensure those who owe tax are treated fairly, respectfully and in a manner that reflects their situation
- work with benefit recipients who have been overpaid by making arrangements based on their ability to pay

Our commitment to Canadians

- **March 2020** – resolve an additional \$5.3 billion in debt as a result of Budget 2016 investments
- **March 2021** – resolve an additional \$7.4 billion in debt as a result of Budget 2016 investments

STRENGTHENING TRUST, TRANSPARENCY AND ACCOUNTABILITY



Sustainable development is important to the CRA and its employees and, each year, the CRA holds three related national events – Earth Day, Environment Week and Waste Reduction Week. As well, there is a network in place that promotes sustainable development within the CRA, and descriptions of employee initiatives are published internally. The CRA's current sustainability focus is on plastics reduction, which is in line with commitments made by Government of Canada.



The CRA takes its responsibility to maintain the trust of Canadians very seriously and continues to do so by focusing on improving transparency and accountability. We strive to listen and act with integrity in all interactions with people, build trust, demonstrate that we care about their well-being and be accountable for our work.

The CRA has robust management practices in place that ensure sound financial stewardship and project management. Independent internal audit and program evaluation functions within the CRA provide the Commissioner and the Board of Management with assurance that the CRA's operations support its priorities. We are committed to reinforcing the public's trust in Canada's tax system through service excellence, including the digital services the CRA provides and the integrity of its compliance activities. We will also ensure that resources are appropriately aligned to achieve intended results.

Strengthening trust, transparency, and accountability includes:

- protecting client information
- safeguarding privacy
- increasing transparency

Protecting client information

Protecting privacy and confidentiality rights is central to the integrity of the CRA. To meet their tax obligations and receive benefits, Canadians must give us personal and financial information and trust that their information is only accessed or disclosed on a need-to-know basis, within the legal framework. We operate under an ever-improving rigorous system to make sure this trust is well-founded. The CRA is committed to fostering responsible employee conduct and making sure employees are fully accountable for their actions. Over the planning period, we will:

- strengthen the physical security of CRA sites to safeguard sensitive client information
- improve our measures to prevent unauthorized access to the CRA's databases and to control and monitor information leaving the CRA
- better manage unstructured CRA information through increased adoption and use of an electronic document and records management system
- continue to centralize all enterprise data and create a portal to limit access to authorized data analysts and researchers

Our commitment to Canadians

- **June 2020** – strengthen the CRA's cyber-security defenses and better protect taxpayer and benefit recipient data from unauthorized access, alteration or loss with the completion of the first phase of our Data Security Initiative

Safeguarding privacy

The trust Canadians place in the CRA to safeguard the privacy of their personal information, as well as the personal information of over 40,000 employees, is a cornerstone of the CRA's work. According to the Office of the Privacy Commissioner of Canada's 2016 Survey of Canadians on Privacy, Canadians want government institutions to be more up-front about how they collect and use personal information, and they want more transparency in their dealings with government.

The CRA must be proactive in how it responds to Canadians' evolving privacy expectations because the personal information that the CRA collects, uses, discloses and protects is crucial to building public confidence and trust. In 2017-18, the CRA commissioned a review of how it manages privacy at the enterprise level. The first phase of this review noted the strengths in the CRA's approach to privacy management. Recommendations were also identified for areas where improvements could be made, including better defining the interdependencies between the role of the CRA's Chief Privacy Officer and that of other officials, like the newly-created Chief Data Officer. Over the planning period, we will:

- further strengthen the CRA's overall privacy management framework and position the CRA as a leader in sound privacy management by addressing all recommendations raised in the recent review

Our commitment to Canadians

- **March 2020** – improve internal reporting about the state of privacy at the CRA
- **March 2020** – make sure all new initiatives take privacy considerations into account
- **March 2020** – improve governance and controls by defining roles and responsibilities of key senior CRA officials to address privacy gaps

Increasing transparency

The CRA holds itself to high standards of performance and quality while striving to achieve results for Canadians. The CRA is a major contributor to the federal Open Government initiative, which was set up so Canadians can see the data that the Government of Canada collects. The public portal at open.canada.ca maintains up-to-date federal data, aggregated to levels that protect client privacy and keeps personal data confidential.

We have a commitment to provide effective service to Canadians, including service standards that publicly state, on canada.ca, the level of service that citizens can reasonably expect from the CRA. The CRA takes steps to reinforce its commitment to transparency, management accountability and citizen-focused service by making sure its performance indicators and results are transparent, accurate, consistent, ambitious and meaningful.

Over the planning period, we will:



- continue to release CRA data that focuses on the needs of Canadians on the Government of Canada's open data portal
- set targets for delivering and improving the CRA client experience, including users' experience with online services

Our commitment to Canadians



- **March 2020** – suggest new publications and update existing ones on open.canada.ca to enhance the CRA data that is available to Canadians
- **March 2020** – test new visual representations to help Canadians understand the CRA data on open.canada.ca
- **March 2020** – develop a performance measurement framework for CRA compliance programs, including measures that factor in litigation and collections
- **March 2020** – introduce new performance indicators that capture the level of Canadians' participation in the tax system and the size of the collectible debt to total revenue
- **March 2020** – introduce a new service standard for decisions about eligibility for the disability tax credit within eight weeks of receipt of application

ENABLING INNOVATION



Innovation helps the CRA discover new ways to tackle old issues and to meet our business objectives and the evolving expectations of Canadians. To achieve this, we use business intelligence and the valuable experience of our employees.

Innovation will allow the CRA to better respond to the challenges it faces moving forward. We encourage our employees to think critically about how they do their work, collaborate, network and generate and present new ideas.

The CRA has a long history of interacting with Canadians, but new technologies are creating new expectations. To make sure the CRA is able to meet service expectations and still protect Canada's revenue base, we are committed to encouraging and maintaining a culture of innovation in the workplace. Over the years, we have made significant advancements in this regard, especially in digital services, behavioural insights, advanced analytics and new information technologies.

Enabling innovation includes:

- achieving excellence through innovation
- adding value through technology

Achieving excellence through innovation



The appointment in 2017 of a Chief Data Officer and the creation of a data and analytics program helps to support and coordinate the CRA's data and analytics priorities. To respond to the evolving service expectations of Canadians, the CRA will further promote the conditions for innovation, so employees are empowered to bring forward and carry out new ideas to improve outcomes for Canadians. In addition to the approaches already noted under the other key priorities in this Plan, the CRA will take the following steps toward innovation:

- engage in experimentation to better measure the outcomes of innovative initiatives for Canadians
- create a culture of continuous improvement within the organization using approaches such as LEAN to systematically remove waste in processes and engage employees at all levels to embrace problem-solving and experimentation within their work areas
- use advanced analytics, including artificial intelligence, to facilitate better decision-making and improve CRA services
- collaborate across government to help recruit data specialists, and develop and deliver courses to meet the CRA's needs for new skills and training in areas such as data literacy
- foster collaborative relationships internally and with other federal and provincial government departments, civil society organizations, international counterparts and academia to gain innovative perspectives on common issues

Our commitment to Canadians



- **March 2020** – apply behavioural insights to help Canadians make informed decisions about matters related to tax and benefits
- **March 2020** – use qualitative approaches, such as ethnography, user-experience and design thinking, to allow the CRA to gain additional insights into how to improve the effectiveness and service focus of our programs for specific segments of the population

Adding value through technology



Information technology is critical to all aspects of the CRA's operations. It is the technical backbone that allows the CRA to efficiently administer its tax and benefits programs and provide services to Canadians. In support of the Government of Canada's Digital Government Strategy, the CRA will make sure its services to Canadians are available digitally, from anywhere and from any device in simple, modern, secure and effective ways. The availability and reliability of the CRA's information technology systems are critically dependent on Shared Services Canada. By partnering with them, the CRA can introduce more targeted innovation and enable greater automation to align with the CRA's service transformation and modernization agenda. Over the planning period, we will:

- explore the use of distributed ledger technology, often referred to as blockchain, to find out where the CRA can use it to advance its business priorities
- evolve our partnership with Shared Services Canada by asserting a strong governance model to manage the CRA's business relationship with them

Our commitment to Canadians

- **June 2019** – update the IT Security Action Plan in response to recommendations from a third party review, ensuring CRA's IT assets are secured and protected
- **March 2020** – use disruptive technologies, such as artificial intelligence, to strengthen CRA programs and improve service to Canadians

EMPOWERING OUR PEOPLE TO EXCEL



Contributing to the overall well-being of our community is important to us. Each year, the Canada Revenue Agency Charitable Campaign mobilizes employees from across the country to raise funds for charitable causes in their communities.

The CRA is investing in a modern workplace that promotes collaboration, information-sharing and increased productivity. Employees must be equipped with what they need to deliver service excellence. CRA leaders must lead by example through their words and actions to create a culture in which everyone understands what is important.



The CRA is committed to promoting a healthy workplace and a diverse workforce that exemplifies service excellence and inspires employees to innovate and share ideas. We are also committed to supporting the Clerk of the Privy Council's Harassment Action Plan because eliminating workplace harassment is essential for a healthy and effective public service. In support of Government of Canada priorities, we are integrating the principles of Gender-based Analysis Plus (GBA+) into our human resources programs, operations and planning so we can assess how people of diverse genders experience CRA policies, programs and initiatives. We are also taking meaningful steps to respond to the results of the annual Public Service Employee Survey.

Empowering our people to excel includes:

- preparing our employees for the future
- building a healthy, inclusive, and diverse workforce

Preparing our employees for the future



The CRA is committed to engaging employees to give their feedback on how they see service transformation taking shape. We are developing a new leadership practice for the CRA. In addition to competencies, we are integrating leader character assessment and development into the workforce. The leader character practice will guide us in developing and appointing people who have the personality traits and values, in addition to the knowledge, to lead. Incorporating this practice will strengthen the CRA's service culture—a culture that begins with trust and engagement between leaders and employees. Management and the unions continue to renew their commitment to the Union-Management Approach, ensuring harmonious and transparent union-management relations at the CRA. We are also reviewing and redesigning our staffing program to help the CRA be nimble in achieving its business needs while delivering a positive client and candidate experience. We also want to effectively support employees' movement across the organization. We will:

- support a Service Council of CRA employees to discuss and receive feedback on service-related issues and to sustain the CRA's organizational and culture shift toward client-centered service, both internal and external
- create a forum with other government departments and agencies to exchange ideas on leadership practices
- participate in interchange assignments with other government departments and organizations outside the public service to support leadership development and readiness to assume leadership roles
- recruit, develop and retain specialized professionals and employees with technical skill-sets while increasing mobility across functions

Our commitment to Canadians

- **March 2020** – integrate leader character assessment into all entry-level executive staffing processes
- **March 2021** – create a national mobility bank to make it easier for employees to move laterally across CRA programs and across Canada

Building a healthy, inclusive, and diverse workforce



The CRA will ensure that all employees work in a respectful work environment and will promote diversity. We will continue to support leaders in incorporating well-being into their decision-making and day-to-day activities, to contribute to a physically and psychologically safe workplace and identify recruitment and development activities to increase the social and cultural diversity of our workforce. The CRA must also be diligent in addressing existing or emerging workforce gaps in any designated groups and in ensuring employees are paid the right amount, on time. We will:

- develop initiatives on raising awareness about harassment, preventing it and resolving it to align with the 2018 amendment to the Canada Labour Code related to harassment and violence
- finish implementing the CRA's 2017-2020 Strategy for the Recruitment, Inclusion and Retention of Indigenous Peoples
- on a national level, create a workplace where employees feel safe to be themselves at work and where there is better support for the lesbian, gay, bisexual, transgender, queer/questioning, two-spirit and others (LGBTQ2) community
- work closely with Public Services and Procurement Canada to identify and resolve issues that affect the pay of CRA employees and make improvements to the Phoenix pay system

- analyze policy and program change, using Gender-based Analysis Plus, to measure their impact on diverse gender identity groups

Our commitment to Canadians

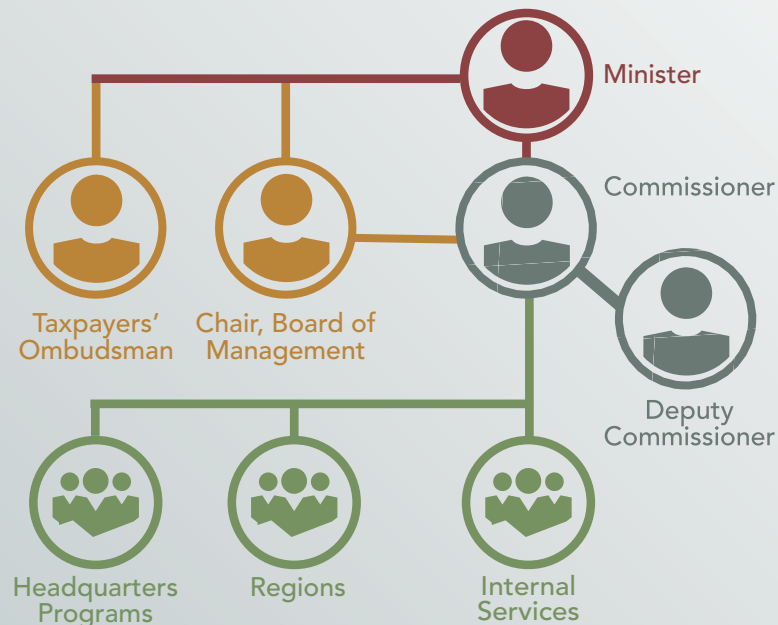
- **March 2020** – ensure 100% of executives, managers and supervisors who have been actively in the role for at least six months complete the mandatory course on discrimination and harassment
- **March 2020** – double the number of employees who receive training on creating a positive space* at work, from 1,500 to 3,000
- **March 2021** – increase the number of Indigenous peoples in CRA professional positions by 20, leaving 37 professional positions to be filled by Indigenous peoples

*Positive Space is an initiative dedicated to fostering a welcoming and respectful workplace to all employees of the Canada Revenue Agency.

SUPPLEMENTARY INFORMATION



Corporate information



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Fax: 613-952-1547
Website: www.canada.ca/en/revenue-agency

For more information about the CRA and its governance, visit canada.ca.

Organizational profile

Appropriate minister
The Honourable Diane LeBouthillier, P.C., M.P.

Institutional head
Bob Hamilton

Ministerial profile
National Revenue

Enabling instrument
Canada Revenue Agency Act

Year of commencement
1999



DEPARTMENTAL RESULTS FRAMEWORK

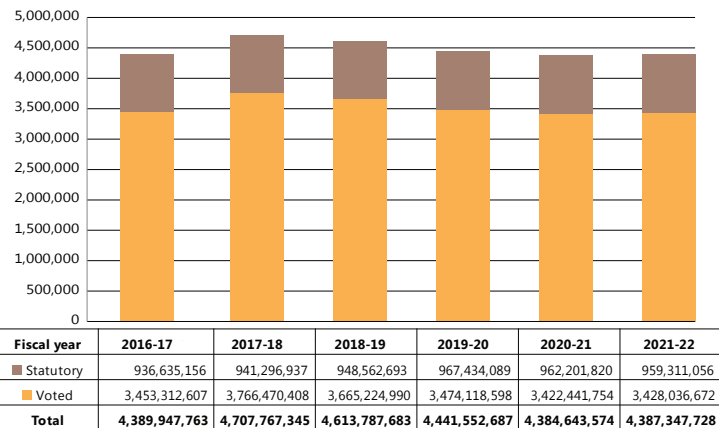
Core responsibility	Departmental result	Indicator
Tax	<p>Canadians voluntarily comply with their tax obligations, non-compliance is addressed, and Canadians have trust in the CRA.</p> <p>Programs:</p> <ul style="list-style-type: none"> • Tax Services and Processing • Returns compliance • Collections • Domestic compliance • International and Large Business Compliance and Criminal Investigations • Objections and Appeals • Taxpayer Relief • Service Complaints • Charities • Registered Plans • Policy, Rulings, and Interpretations 	Percentage of Canadians who voluntarily participate in the tax system
		Percentage of tax returns filed on time
		Public Perception Index: service experience
		Percentage of businesses registered for GST/HST
		Percentage of external service standard targets met or mostly met
		Percentage of reported tax liabilities paid on time
		Percentage of services available online
		Incremental revenue resulting from budget investments
		Number of individuals helped by the Community Volunteer Income Tax Program
		Incremental debt collected (resolved) resulting from Budget 2016 investments
Benefits	<p>Canadians receive their rightful benefits in a timely manner.</p> <p>Program:</p> <ul style="list-style-type: none"> • Benefits 	Percentage of respondents satisfied with benefit application processing time
		Percentage of Canada child benefit recipients who provide complete and accurate information in order to receive the proper entitlement
		Percentage of benefit payments issued to benefit recipients on time
		Percentage of taxpayers (benefit recipients) who filed as a result of targeted CRA intervention
Taxpayers' Ombudsman	<p>Canadians have access to trusted and independent review of service complaints about the CRA.</p> <p>Program:</p> <ul style="list-style-type: none"> • Taxpayers' Ombudsman 	Percentage of recommendations made by the Ombudsman to the Minister in systemic examination reports that will be acted upon by the CRA
		Percentage of taxpayer complaints acknowledged within two business days
		Percentage of individual complaint examination files closed within 120 calendar days

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization.

PLANNED SPENDING AND HUMAN RESOURCES



Spending trend (dollars)¹



¹ The spending trend graph shows all parliamentary appropriations (Main Estimates and Supplementary Estimates) and revenue sources provided to the CRA for: policy and operational initiatives arising from various federal budgets and economic statements, transfers from Public Services and Procurement Canada for accommodations and real property services, children's special allowance payments, as well as the implementation of initiatives to improve efficiency.

Planned spending (dollars)

Core responsibilities and internal services	2016-17 Expenditures	2017-18 Expenditures	2018-19 Forecast	2019-20 Main Estimates	2019-20 Planned ²	2020-21 Planned ²	2021-22 Planned ²
Tax	2,919,596,085	3,145,344,608	3,036,812,548	3,156,308,891	3,156,308,891	3,127,136,140	3,117,747,650
Benefits	475,216,775	479,298,608	489,332,942	499,962,083	499,962,083	494,389,657	494,701,282
Taxpayers' Ombudsman ¹	2,894,786	3,210,404	3,165,734	3,471,070	3,471,070	3,474,081	3,476,519
Internal services	992,240,117	1,079,913,725	1,084,476,459	781,810,643	781,810,643	759,643,696	771,422,277
Total Canada Revenue Agency	4,389,947,763	4,707,767,345	4,613,787,683	4,441,552,687	4,441,552,687	4,384,643,574	4,387,347,728

¹ Since the Taxpayers' Ombudsman operates at arm's-length from the CRA, this Plan does not reflect the activities of that office.

² Future year planned spending is subject to change based on the impact of Budget 2019 announcements.

Actual and forecast spending for fiscal years 2016-17 to 2018-19 includes technical adjustments such as the CRA's carry-forward from the previous year and funding for severance payments, parental benefits, and vacation credits. In the 2017-18 fiscal year, a significant portion of the increase in spending is associated with the cash out of severance benefits upon resignation or retirement for employees represented by the Public Service Alliance of Canada (PSAC) bargaining unit. The 2016-17 and 2017-18 fiscal years also reflect higher spending as a result of retroactive payments associated with collective bargaining increases for employees represented by the PSAC and Professional Institute of the Public Service of Canada bargaining units, including amounts set aside in anticipation of wage settlements for the period under the operating budget freeze. Over the planning period, the CRA's appropriations show a slight reduction (from \$4.442 billion in 2019-20 to \$4.387 billion in 2021-22) primarily as a result of planned decreases in funding received to implement and administer various measures announced in the federal budgets as well as the federal carbon pollution pricing system and the upgrade of the individual income tax processing system. Further reductions are associated with the reallocation of departmental resources as announced in the 2018 Federal Budget to improve the management of information technology within the Government of Canada and to support related cyber security measures. A portion of the decrease in internal services spending from 2018-19 to 2019-20 is due to the attribution of direct internal service costs to the programs (primarily within the tax core responsibility).

Planned human resources (FTEs)

Core responsibilities and internal services	2016-17 Actual	2017-18 Actual	2018-19 Forecast	2019-20 Planned	2020-21 Planned	2021-22 Planned
Tax	29,529	30,399	31,931	33,774	33,319	33,175
Benefits	1,299	1,253	1,458	1,627	1,578	1,578
Taxpayers' Ombudsman ¹	25	25	31	31	31	31
Internal services	7,875	8,088	8,639	6,364	6,267	6,230
Total Canada Revenue Agency	38,728	39,765	42,059	41,796	41,195	41,014

¹ Since the Taxpayers' Ombudsman operates at arm's-length from the CRA, this Plan does not reflect the activities of that office.

The increase in forecasted FTEs in 2018-19 is largely attributable to new funding received to implement and administer measures announced in the 2018 Federal Budget as well as growth in funding for measures announced in the 2016 and 2017 Federal Budgets. The 2018-19 fiscal year also reflects an increase in FTEs associated with funding to address operational priorities.

Over the planning period, the reduction in FTEs (from 41,796 in 2019-20 to 41,014 in 2021-22) is primarily the result of planned decreases in funding received for various measures announced in the federal budgets as well as reductions in planned project investments. A portion of the decrease in internal services FTEs from 2018-19 to 2019-20 is due to the attribution of direct internal service costs to the programs (primarily within the tax core responsibility).

Condensed Future-Oriented Statement of Operations (dollars)

Financial information	2018-19 Forecast results	2019-20 Planned results	Difference (2019-20 Planned results minus 2018-19 Forecast results)
Total expenses	5,128,339,184	5,316,052,496	187,713,312
Total non-tax revenues	530,689,497	542,751,297	12,061,800
Net cost of operations before government funding and transfers	4,597,649,687	4,773,301,199	175,651,512

The Condensed Future Oriented Statement of Operations provides a general overview of the Canada Revenue Agency's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management. The forecast and planned spending amounts presented in other sections of the Departmental Plan are prepared on an expenditure basis; as a result, amounts may differ. A more detailed Future Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the CRA's [departmental webpage](#).



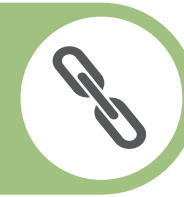
CRA STAFFING PRINCIPLES

Staffing principles related to a successful staffing program:

	Adaptability	Staffing is flexible and responsive to the changing circumstances and to the unique or special needs of the organization.
	Efficiency	Staffing is planned and carried out taking into consideration time and cost, and it is linked to business requirements.
	Fairness	Staffing is equitable, just and objective.
	Productiveness	Staffing results in the required number of competent people being appointed to conduct the CRA's business.
	Transparency	Communications about staffing are open, honest, respectful, timely and easy to understand.

Staffing principles related to an effective workforce:

	Competency	The workforce possesses the attributes required for effective job performance.
	Non-partisanship	The workforce and staffing decisions must be free from political and bureaucratic influence.
	Representativeness	The composition of our workforce reflects the labour market availability of employment equity designated groups.



LINKS

Estimates by vote: For information on the CRA's organizational appropriations, consult the [2019-20 Main Estimates](#).

Detailed future oriented statement of operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the CRA's departmental webpage.

Supporting information on planned expenditures, human resources, and results related to the CRA's Program Inventory is available in the [GC InfoBase](#).

The following supplementary information tables are available on the [CRA's departmental webpage](#).

- [CRA Sustainable Development Strategy](#)
- [Definitions](#)
- [Details on transfer payment programs of \\$5 million or more](#)
- [Endnotes](#)
- [Complete Future Oriented Statement of Operations](#)
- [Gender-Based Analysis Plus](#)



ANNEX PERFORMANCE INDICATORS

Core responsibility: Tax

Output/Outcome	Indicator	Target*	2015-16 Result**	2016-17 Result**	2017-18 Result**
Canadians voluntarily comply with their tax obligations, non-compliance is addressed, and Canadians have trust in the CRA.	Percentage of Canadians who voluntarily participate in the tax system	New indicator; 2019-20 will be the baseline year	n/a	n/a	n/a
	Percentage of tax returns filed on time	90%	n/a	n/a	91%
	Public perception index: service experience	Maintain or increase	n/a	6.73	6.28 (Decrease)
	Percentage of businesses registered for goods and services tax / harmonized sales tax	90%	94%	94.9%	94.9%
	Percentage of external service standard targets met or mostly met***	90%	***	***	80%
	Percentage of reported tax liabilities paid on time	New indicator methodology; 2019-20 will be the baseline year	n/a	n/a	n/a
	Percentage of services available online	77%	n/a	n/a	77%
	Incremental revenue resulting from budget investments	\$1.644B	n/a	n/a	\$1.6B
	Number of individuals helped by the Community Volunteer Income Tax Program	802,000	n/a	n/a	703,000
	Incremental debt collected (resolved) resulting from Budget 2016 investments	\$7.4B by March 2021	n/a	n/a	\$1.1B
	Percentage of total volume of improved correspondence (that is, changes to structure, design, language and format)	95%	n/a	75%	90%
Ratio of collectible tax debt to total net receipts (cash accounting)	New indicator; 2019-20 will be the baseline year	n/a	n/a	n/a	

* The timeframe for these performance indicator targets is the fiscal year (April 1, 2019, to March 31, 2020), unless otherwise indicated.

** Comparable results for previous years are presented where available.

*** The Canada Revenue Agency reviews and updates its external service standards annually to ensure they are relevant, ambitious and transparent for Canadians. In 2017-18, the Agency made notable revisions, including introducing new standards where there were gaps, retiring standards for less frequently accessed services, and combining like services into a common standard. Therefore results for 2017-18 cannot be compared to previous years.

Core responsibility: Benefits

Output/Outcome	Indicator	Target*	2015-16 Result**	2016-17 Result**	2017-18 Result**
Canadians receive their rightful benefits in a timely manner.	Percentage of Canada child benefit recipients who provide complete and accurate information in order to receive the proper entitlement	New indicator; 2019-20 will be the baseline year	n/a	n/a	n/a
	Percentage of benefit payments issued to benefit recipients on time	100%	99.99%	99.99%	100%
	Percentage of respondents satisfied with benefit application processing time	New indicator; 2019-20 will be the baseline year	n/a	n/a	n/a
	Percentage of taxpayers (benefit recipients) who filed as a result of targeted CRA intervention	10%	n/a	n/a	8.1%

* The timeframe for these performance indicator targets is the fiscal year (April 1, 2019, to March 31, 2020), unless otherwise indicated.

** Comparable results for previous years are presented where available.



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