



ENVIRONICS
R E S E A R C H G R O U P

CRA ANNUAL
CORPORATE SURVEY

2005 BASELINE STUDY

FINAL REPORT

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Canada Revenue Agency

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EXECUTIVE SUMMARY

A new annual corporate survey was conducted in 2005, based on a redesigned questionnaire focusing on corporate-wide issues. The 2005 survey, designed and conducted by Environics Research Group, will serve as a new baseline for measuring the Agency's performance. This survey is based on telephone interviews with 4,000 Canadians, conducted in June and July 2005. The sample is stratified to provide meaningful results in each of the 10 provinces.

The results reveal that the CRA enjoys a generally positive image with the Canadian public, both in overall terms and with respect to the values by which it is seen to operate and the services it provides to taxpayers. Canadians are clearly more positive in their general opinion of the CRA's overall performance (37% positive versus 13% negative) than they are with the Government of Canada's overall performance (18% positive versus 42% negative).

The minority of Canadians who hold negative attitudes about the CRA are more likely to do so based on general perceptions about the Agency than on service-related issues. As well, some taxpayers are critical of the CRA because of general dissatisfaction with the federal government's performance as a whole, or because of misperceptions about the Agency's mandate (e.g. complaints tax levels or spending decisions).

Ratings of the CRA's overall performance are influenced by numerous factors, but most significantly by the extent to which it is seen as adhering to its corporate values, especially in operating in an efficient manner. Timely service and confidential treatment of taxpayer information are also important factors among those who have had direct contact with the CRA over the past year.

Filing of personal income returns for the 2004 tax year has been uneventful for most taxpayers, and 82 percent reported their final assessment turned out as they expected. Close to three in ten taxpayers have had direct contact with the Agency in the past 12 months to get information or receive a service, mostly with respect to their personal income taxes. This service experience was in most cases positive, with 82 percent saying they achieved the purpose of their contact.

Canadians are generally positive about the range of options for contacting the CRA to get information, with two-thirds saying there is the right balance between electronic and traditional methods, with most of the remainder saying there is too much emphasis on electronic methods, with this group represented mostly by residents of eastern Canada and those with lower socio-economic status.

Most Canadians believe tax cheating is a problem today, although one-third consider it to be a major problem. There is broad consensus that such cheating is socially unacceptable, but at the same time most believe that people will cheat given the opportunity. The public is more likely than not to believe tax cheaters will get caught, but most say there is no way for the CRA to know about undeclared cash income. A plurality (41%) believe the Agency is putting the right level of effort into compliance, but more than a third (36%) say it is not doing enough.

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INTRODUCTION

Background. The Canada Revenue Agency (CRA) is responsible for administering the tax laws for the Government of Canada (and for most provinces and territories), and a number of social and economic benefit and incentive programs delivered through the tax system.

In fulfilling this mandate, the Agency regularly undertakes research and other initiatives to measure taxpayers' experiences and priorities with respect to its range of services and programs. Since 2000, the CRA has been conducting an annual survey with national representative samples of Canadians to assess attitudes towards the Agency and specific programs. This research was designed to provide a better understanding of the public opinion environment in which the Agency's programs and services are designed and implemented.

In 2005, the CRA redesigned the annual survey to focus on corporate-wide issues. Environics Research Group was commissioned to assist in this redesign, through both qualitative and quantitative research methods. The 2005 Annual Survey was developed to serve as a new baseline for measuring the Agency's performance over the next five-year period (2005-2009).

Innovations for 2005. Several important innovations were introduced for the 2005 version of the CRA Annual Survey to advance both the design and analysis of the research:

- An extensive development process was undertaken over the first six months of 2005 to redesign the questionnaire "from scratch," based on state-of-the-art research principles and experience. This process

involved qualitative research (focus groups) to capture the issues and language from the taxpayer perspective, questionnaire design by one of Canada's leading public opinion researchers and three separate rounds of "live" pre-testing with taxpayers.

- A "driver analysis" was conducted on the data collected through the 2005 Baseline Study. This entails a multivariate statistical technique that uncovers those key factors that "drive" or predict important measures of taxpayer perceptions of the CRA. This represents an important step beyond simple correlational analysis, and identifies areas that could be targeted for future communications or programing.

By focusing on corporate-wide issues, the new survey is designed to provide a better understanding of what Canadians think about the CRA, including measures of the "public mood" to capture the broader context in which opinions and attitudes about the Agency are formed. Most of the survey content will be repeated each year to provide ongoing tracking on key measures. The survey also includes a section of "dynamic" questions that will be modified each year as required to address short-term issues or priorities. This year's dynamic questions focus on taxpayers' preferred methods of obtaining information from the CRA and paying their tax bills.

2005 baseline study. The 2005 Baseline Study consisted of telephone interviews with a representative sample of 4,000 Canadians (18 years and over), conducted by Environics between June 16 and July 7, 2005.¹ This sample was stratified to ensure adequate representation across each of the country's 10 prov-

¹ This research is a study of Canadians as individual taxpayers, and not of businesses. However, some of the individuals surveyed may also be a sole proprietor, business owner, or otherwise be self-employed, and have filed a T1 return as an individual.

inces, as well as by gender and age cohorts. A national sample of this size will provide results accurate to within plus or minus 1.5 percentage points, in 19 out of 20 samples (a larger margin of error will apply to subgroups of the population). A more detailed description of the methodology used to conduct this study is provided at the back of this report, along with a copy of the questionnaire (Appendix A).

Report synopsis. This report begins with a one-page Executive Summary (see previous) and a concise Key Findings section that presents highlights from the 2005 survey. This is followed by a detailed analysis of the survey data covering all questions that covers findings at the national level as well as for relevant subgroups as defined by location (e.g. province, community size), demographics (age, household income), experience with the CRA (method of tax filing, recent contact for service) and general orientation (attitudes about paying taxes). Under each chart and table is listed the question wording and the size of the subsample in those cases where not all respondents were asked the question. Unless otherwise noted, all results are expressed as a percentage.

KEY FINDINGS

The 2005 Annual Corporate Survey reveals that the Canada Revenue Agency enjoys a generally positive image with the Canadian public, both in overall terms and with respect to the values by which it is seen to operate and the services it provides to taxpayers. Negative attitudes are most likely to be based on general perceptions about the Agency, the federal government and taxes in general, with notably few identifying service-related problems.

The following points summarize the key findings from the research:

Awareness and understanding of the CRA

- A strong majority of Canadians (72%) are now familiar with the Agency by name, as they are able to recognize it when specifically prompted. But the name “Canada Revenue Agency” is not yet well enough known for most people to clearly associate it with the Agency or its function without such prompting: Only one in ten (9%) can correctly identify this name unaided, while another 63 percent recognize it when prompted. The Agency continues to be much better known under its historic name “Revenue Canada.”
- It is widely understood that the CRA is responsible for tax collection (83% can identify this unaided). In contrast, very few seem to know about the Agency’s other responsibilities, such as the GST/HST and the Canada Child Tax Benefit. A noticeable minority (13%) mistakenly believe that the CRA also has some role in determining federal spending priorities.

General perceptions of the CRA

- Canadians are clearly more positive (37%) than negative (13%) in their overall assessment of the

CRA’s performance, in contrast with their general opinions of the federal government (18% positive versus 42% negative). But this assessment is by no means an unqualified endorsement, with a plurality (44%) rating the Agency’s performance as “acceptable.”

- The public’s ratings of overall performance are based primarily on broad perceptions of the Agency and its role, rather than on specific functions or their own personal experiences. Those who give positive ratings are most likely to say the Agency is doing a good/efficient job or because they have not had any problems. The minority who are negative are most apt to complain about general taxation levels or tax policy, with few citing specific negative experiences with the Agency (mentioned by 2% of those surveyed).
- A majority of Canadians agree that the CRA operates in accordance with each of a number of established corporate values. The public is most likely to say the Agency treats taxpayer information with complete confidentiality (83%), and most also agree its staff are professional (79%), and that it is honest (79%), respectful (77%), fair (70%) and efficient (70%) in its operations. Canadians are less sure, however, about the extent to which the Agency is sensitive to the needs of taxpayers confronted with unusually difficult circumstances such as the death of a spouse (59%).
- Perceptions of overall performance ratings are influenced by taxpayers’ experience with service quality when contacting the CRA to obtain information or receive a service. Positive performance ratings are much more evident among those with a positive service experience (50%) than among those with a mixed (32%) or negative (23%) experience. At the same time, however, performance ratings are not

related to opinions about the level of effort that the CRA is putting into tax cheating or the likelihood of tax cheaters getting caught.

- A more in-depth analysis of the data reveals the key “drivers” or factors influencing the public’s overall assessment of the CRA’s performance. Canadians are most likely to have a positive view if they agree that the Agency operates according to its core values, especially in terms of being efficient in its operations. They are also more apt to give the CRA a positive mark if they are less negative about the federal government and the current level of taxation, if they are an allophone (first language is neither English nor French) and/or live in a larger-sized community. For those who have direct contact with the CRA for service or information, timeliness of service and confidence in confidential treatment of information are also important factors that influence overall opinions of the Agency.

Experience with 2004 personal income tax return

- Two-thirds (68%) of taxpayers completed their 2004 personal income tax return with outside assistance, mostly from professional tax advisors or services (70% of this group), or friends/family members (27%). Most filed their return either electronically (47%) or by mail (40%), the latter group most likely to include younger taxpayers, those with at least some college/university education, and those who received assistance in completing their return.
- Most taxpayers had a neutral to positive emotional response to completing their 2004 return, described as either “relief” (40%) or “indifference” (30%). One-quarter of taxpayers had a negative emotional reaction best described as “frustration” (13%), “anger” (6%) or “anxiety” (5%). This group does not stand out in terms of clearly identifiable characteristics, and their negative experiences with completing the return appear to have only a minor impact on overall perceptions of the CRA.
- Most (82%) taxpayers who had received their final assessment notice (at the time of the survey) found that it turned out to be pretty much as they expected it would be (i.e. no surprises). This outcome was equally likely whether taxpayers received assistance or completed the return wholly on their own.

Direct experience with the CRA – contact/dealings

- More than one in four (28%) Canadians have initiated contact with the CRA within the past year, in order to get information or receive a service, and half of this group did so within the past three months. In most cases (62%), these contacts pertained to personal income taxes. Contact levels were highest among Canadians completing their own return, those filing by other than mail or electronic methods, and those who found their assessment to be different from what they expected.
- Canadians who contacted the CRA within the past year are mostly positive about the service they received during their most recent contact with the Agency. Six in ten are satisfied with the service they received overall (62% versus 18% who were dissatisfied) and with the timeliness of service (59% versus 23% dissatisfied). Majorities of these taxpayers were also very satisfied with the service received in terms of being treated fairly (63% completely agree) and being served by knowledgeable/competent staff (51%). This group was less apt to fully agree that they were able to get through to the CRA without difficulty (44%) or found staff went the extra mile to get them what they needed (37%).
- A key to meeting taxpayer expectations for service is providing what they need in the end. Eight in ten (82%) of those contacting the CRA within the past year say their most recent self-initiated service experience resulted in achieving the purpose of this contact. General dissatisfaction with this service experience is reported primarily by those who did not end up getting what they needed from the Agency on this occasion.
- In terms of experience with the CRA service beyond a specific recent contact, most Canadians agree the Agency provides services in both official languages (97%), treats taxpayers as honest unless there is evidence to the contrary (85%), and provides accurate information (81%). Fewer (67%) agree that CRA information is “easy to understand,” and only 26 percent completely agree with this view, compared with 31 percent who disagree.

- The level of customer service provided by the CRA is generally seen to be similar in quality to that provided by comparable institutions. Among the minority who make a distinction, the CRA tends to be seen as doing a better job than other federal departments, but worse than financial institutions (e.g. banks) with which taxpayers have experience.

Compliance and tax cheating

- Most (72%) Canadians believe income tax cheating is a problem in Canada today, although only one-third (35%) consider it to be a major problem. Four in ten (39%) believe this problem has become worse over the past couple of years, with this group comprised primarily of those who consider the problem to be serious.
- There is broad public agreement that income tax cheating is socially unacceptable behaviour. More than eight in ten (84%) agree that when people cheat it reduces money available for important public services such as health and education (57% strongly agree), and seven in ten (69%) disagree that it is OK to not declare income received as cash. At the same time, seven in ten Canadians (68%) believe that most people would in fact cheat if given the opportunity to do so.
- A strong majority of Canadians consider it tax cheating not to declare income earned through weekend “moonlighting” work, with 53 percent labelling this a very serious form of cheating. The propensity to view such activity as “serious” increases along with the amount of income that goes undeclared.
- Two-thirds believe that Canadians currently pay significantly (38%) or somewhat (27%) too much in taxes today. Individuals who hold this view are somewhat more likely to downplay the seriousness and unacceptability of income tax cheating.
- Canadians are more likely than not to believe tax cheaters will get caught, but relatively few (16%)

are confident that this is the case. The public holds mixed opinions on whether the CRA is investing sufficient resources into compliance: A plurality (41%) say the CRA is putting in the right amount of effort, but most of the remainder (36%) believe the Agency is not doing enough. Opinions on these issues are linked to perceptions about the seriousness of the problem and the likelihood of cheaters getting caught, but it is not possible with these data to determine which of these opinions may be influencing the others.

- Canadians are not particularly confident about the government’s ability to detect undeclared cash income. Almost two-thirds completely (29%) or somewhat (35%) agree there is no way for the CRA to know about cash income if it is not declared on income tax forms.

Preferred methods for obtaining information and paying tax bills

- Canadians are generally positive about the range of options for contacting the CRA to get information. Two-thirds (67%) believe there is the right balance between electronic (e.g. web, e-mail) and traditional (mail, telephone, in-person) methods for contacting the Agency. One in five (18%) say too much emphasis is placed on electronic methods, while only five percent think this applies to traditional methods. Those who say there is too much focus on electronic contact are more likely to live in Eastern Canada and have lower levels of education and income.
- Taxpayers would most prefer to obtain general income tax-related information by mail (43%) or through the CRA website (30%), compared to the telephone (14%), by visiting a CRA office (9%) or by fax (2%).² When asked about a second choice alternative, the telephone emerges as a strong favourite. Mail is most popular among older, less educated and rural-based residents, while web access is most apt to be the choice of younger, urban, higher income Canadians, as well as allophones.

² The survey question was couched in the context of an example about obtaining forms. It is possible that method preferences might vary somewhat in the context of other types of information that taxpayers might seek from the CRA.

- When it comes to paying an income tax bill, mail (41%) is again the most favoured method, but half of taxpayers would prefer to go through their financial institution, either electronically (phone, web) (26%) or by visiting a branch in person (25%). Few (6%) would choose to pay by visiting a CRA tax office.

Differences by taxpayer segments

At the broad level, these key findings are applicable to Canadians across the country as defined by province and demographic characteristics. While some significant variations do exist, the main conclusions hold for all identifiable segments of the population. The following highlights some notable differences (which are more a matter of degree than a substantively different point of view):

- Across provinces, Quebec stands out most in terms of general views about the CRA and its services. Quebecers are somewhat less likely than others to hold positive impressions of the Agency, while at the same time being among those least apt to have initiated direct contact for information or service. Residents of this province are most concerned about tax cheating but also about taxes being too high. They tend to rely on traditional forms of contact with the CRA and are least apt to be satisfied with the balance between electronic and traditional methods.
- In contrast, residents of the four Atlantic provinces tend to be the most positive in their views about the CRA. They too rely on traditional methods of contact (including telephone and in-person visits), but – except for New Brunswickers – are positive about the level of service they have received from the Agency. Western Canadians are less positive than average in their overall opinions of the CRA, and are also more likely than others to mistakenly believe the Agency has a role in federal spending decisions. Residents in the west are less apt to consider income tax cheating to be a major problem and more likely to file their returns electronically.
- Language appears to be a relevant factor influencing opinions on many of the topics covered in the survey. As with Quebecers, francophones are somewhat less positive about the CRA and tax-related services, and this pattern also shows up to some degree in New Brunswick (where most non-Québécois francophones live). Of the three major language groups, allophones (those whose first language is neither English nor French) stand out as being clearly the most positive in their opinions of the Agency. At the same time, this group is least satisfied with the current balance of methods for contacting the CRA and have a clear preference for electronic options.
- It might be expected that socio-economic status would play an important role in shaping public opinion about dealing with the country's tax system. But this has proved to be only a minor factor with respect to the issues addressed in this survey. Taxpayers with more education (e.g. university degree) tend to be somewhat more positive about the CRA and satisfied with the balance of contact methods. They are also more likely to have completed their own income tax return in 2004. Those with less education are not as likely to have initiated contact with the Agency and rely more heavily on traditional means of contact. Of note is the fact that household income does not appear to be closely linked to any of the topics covered, except in the case of higher income taxpayers making greatest use of the electronic filing option for their 2004 return.
- Finally, opinions vary modestly by age cohort on some of the issues covered on the survey. The youngest group (18 to 29) are the most positive about the CRA generally, though are also least apt to have contacted the Agency directly. They also tend to be the most concerned about tax cheating. Older taxpayers are most apt to rely on traditional methods of contact, and are more likely than younger Canadians to think the Agency is responsible for spending decisions.

AWARENESS AND KNOWLEDGE OF THE CRA

Awareness of the CRA

Seven in ten Canadians recognize the Agency's current name, although only one in ten can identify it unaided. The Agency continues to be better known under the previous name "Revenue Canada."

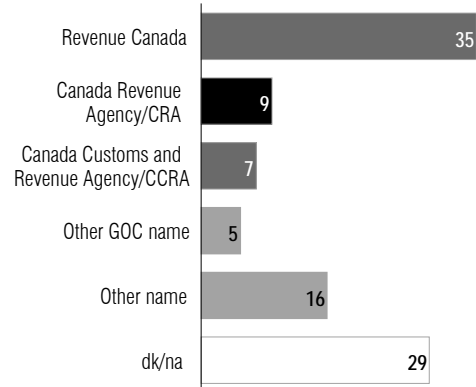
In 2004, the Agency changed its name from the "Canada Customs and Revenue Agency" to the "Canada Revenue Agency." The results from the 2005 survey show that this new name is by now widely recognized by Canadians (72% of the population) when they are specifically prompted with it (63%), but it is not yet well enough known to be the one that people associate first with the Agency or its function (9%).

Unaided awareness. "Unaided awareness" is a valuable indicator of the degree to which the public can clearly link an organization's name to its mandate (without prompting), with "aided recognition" (e.g. prompting with the name) an equally important measure of awareness.

The survey first measured unaided awareness to assess the extent to which the general public can correctly connect the Agency's name to its general mandate. When asked to identify (without prompting) the name of the part of the federal government responsible for collecting income taxes, one in ten Canadians were correctly able to respond with either "Canada Revenue Agency" (8%) or "CRA" (1%). By comparison, more than one-third (35%) refer to the previous and well-established name, "Revenue Canada," while a much smaller proportion mention "Canada Customs and Revenue Agency" or "CCRA" (7%).

Other responses (none mentioned by more than two percent of the population) cover a wide variation of current government names (e.g. Department of Finance), previous names (Customs and Excise) or made-up ones

Unaided awareness of agency name 2005



Q.2

Please tell me, from what you know or have heard, what is the name of the part of the federal government that is responsible for collecting income taxes?

(Treasury Department). Three in ten (29%) Canadians are unable to offer any response to this question.

Unaided awareness of the CRA varies modestly across the population, most notably in terms of language: Awareness is twice as high among francophones (14%) as among anglophones and allophones (7%). Such awareness increases along with education and income, and is somewhat higher among urban residents, those under 60 years of age, and those who completed their own tax return in 2004.

Across the country, awareness is highest in Quebec (17%) and New Brunswick (14%) (where most francophones live) and lowest in Newfoundland/Labrador (5%), with the remaining provinces all falling within the six to 10 percent range. Those unable to offer any

response to this question are most apt to be residents of Quebec or New Brunswick, allophones, Canadians under 30 years of age, and those who have never had any direct contact with the Agency.

Aided recognition and overall awareness. While unaided awareness is a valuable indicator of the degree to which the public can clearly link an organization's name to its mandate, name recognition is at least as important (this is in part because most individual taxpayers have limited capacity to learn and retain the names of most government departments and agencies).

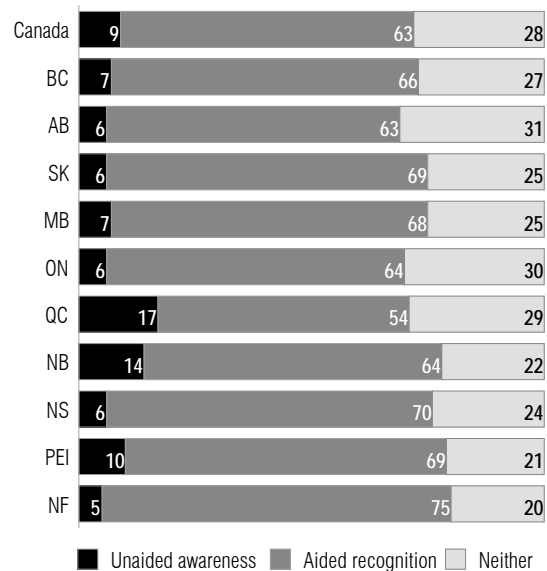
With respect to name recognition, the Agency has made significant progress since the change in 2004. Among those who did not correctly identify the CRA unaided (91% of the population), seven in ten (69%) say they have heard about an organization called "the Canada Revenue Agency" when specifically prompted with this name (representing 63% of the entire population).

This means that seven in ten Canadians are familiar with the CRA by name, whether unaided (9%) or by recognition (63%). This combined figure (the sum of unaided awareness and aided recognition) can be called "overall awareness," and represents the most useful general indicator of Agency awareness.

Overall awareness is strong across the country, but highest among residents of the four Atlantic provinces, particularly Newfoundland/Labrador (80%) and New Brunswick (78%), while lowest in Quebec (71%) and Alberta (69%). Across demographic strata, overall awareness is highest among allophones (81%) and non-native Canadians from countries outside the U.S. and Europe (80%), and those 18 to 29 years of age (82%). It is lowest among Canadians without a high school diploma (62%), and those 60 and older (58%). As with unaided awareness, recognition increases modestly along with the degree of recent contact with the Agency.

Overall awareness of agency

By province 2005



Q.2

Please tell me, from what you know or have heard, what is the name of the part of the federal government that is responsible for collecting income taxes?

Q.3

Have you ever heard about an organization called the "Canada Revenue Agency"?

Subsample: Those who did not mention the CRA in Q.2 (n=3,701)

Awareness of the name "Revenue Canada." The Agency has been known as "Revenue Canada" for many years, and this name continues to be well established with the public. Among those Canadians who do not recognize the Canada Revenue Agency by name (33% of the population), a strong majority (83%) say they are familiar with "Revenue Canada" when specifically prompted. This means that approximately one-quarter (23%) of the population continue to know of the Agency name only under this older name.

Recognition of the Agency only as "Revenue Canada" is strongest among older residents, as would be expected given their historical experience with the Agency under this previous name.

Understanding of the CRA responsibilities

Most Canadians understand the Agency is responsible for tax collection, mostly in terms of collecting income taxes. There is much lower awareness of its responsibilities for administering the GST/HST and the Canada Child Tax Benefit Program.

Name recognition is one thing, but do Canadians understand what the CRA actually does? This question was addressed by asking those respondents who recognize the Agency (as either the CRA or Revenue Canada, representing 98% of the population), without prompting, what they believe this organization is responsible for.

Not surprisingly, most Canadians understand that the Canada Revenue Agency is responsible for tax collection. More than eight in ten could provide at least one correct response to this question, the most common being that the CRA collects taxes (49%) or collects income taxes (41%). By comparison, relatively few identify the Agency's role in collecting sale taxes (including the GST/HST) (10%), administering the Canada Child Tax Benefit (3%), or corporate or business taxes (2%). Small percentages also mention related functions that the CRA undertakes, such as auditing tax returns, helping with tax returns and catching those who cheat on their taxes.

A small but notable proportion of Canadians (13%) mistakenly believe that the CRA not only collects taxes but is also responsible for managing the tax dollars collected and determining spending priorities (this misperception also emerged in the qualitative research conducted as part of the survey redesign). One in ten (10%) Canadians are unable to offer any ideas about what the Agency is responsible for.

Net correct responses to this question are most widespread among residents of B.C. (88%), Canadians with the most education (89%) and household income (88%), and those who completed their own 2004 tax return (89%). Those with unaided awareness are also most likely to provide at least one correct answer (93%), although this is only marginally higher than those with no awareness (85%). Correct responses are least apt to be given by New Brunswickers (73%), Canadians 18 to 29 years of age (70%), and those without a high school diploma (70%).

What CRA is responsible for 2005

	%
NET CORRECT	83
Collects taxes	49
Collects income taxes	41
GST/HST	9
Canada Child Tax Benefits	3
Corporate/business taxes	2
Decides how tax dollars are spent	13
Customs taxes/duties	8
Audits tax/enforce tax laws	7
Social benefits programs	5
Helps with tax returns	2
Refunds/tax refunds/income tax refunds	1
Other	6
Don't know/no answer	10

Q.5

From what you know or have heard, what is {response from Q.2, 3 or 4} responsible for? That is, what are its main responsibilities? Anything else?

Subsample: Those aware of the Canada Revenue Agency or Revenue Canada (n=3,920)

Mention of sales taxes (including GST/HST) is marginally higher in PEI (19%) and Manitoba (13%). Mention of the Canada Child Tax Benefit is identified by six percent in PEI, but not above five percent in any other identified group.

The misperception about the CRA determining government spending priorities is evident across the population, but more prominent in Alberta (17%), among Canadians aged 60 plus (17%) and those with no awareness of the CRA (17%). The inability to offer any response to this question is highest in New Brunswick (17%) and Newfoundland/Labrador (15%), among Canadians aged 18 to 29 (20%), and among those with the least education and income.

GENERAL PERCEPTIONS OF THE CRA

Overall performance

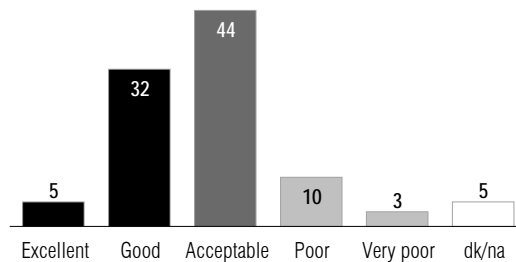
Canadians are more positive than negative in their overall assessment of the CRA, but a plurality say the Agency is doing an “acceptable” job. Ratings are lowest among those with a negative CRA experience, and those critical of the federal government and current tax levels.

How do Canadians view the Agency from an overall perspective? Survey respondents were provided with a brief definition of the CRA and then asked to rate its overall performance, on a scale ranging from “excellent” to “very poor.”

The survey results reveal that Canadians are more positive than negative, but not without some qualification. Close to four in ten rate the CRA’s performance as either excellent (5%) or good (32%), with a larger percentage giving it a rating of “acceptable” (44%). By comparison, fewer than one in six rate the Agency as poor (10%) or very poor (3%), with another five percent unable to provide any rating at all.

This pattern of performance scores is generally similar across the population, but there are some notable variations along a number of dimensions:

CRA overall performance
2005



Q.6

The Canada Revenue Agency, formerly known as Revenue Canada, is an agency of the federal government responsible for such things as {B.C. to Ontario: the collection of income tax, administration of the GST (or Goods and Services Tax), and the Canada Child Tax Benefit Program}, {Quebec only: the collection of federal income tax and the Canada Child Tax Benefit Program}, {Atlantic provinces: the collection of federal income tax, administration of the GST/HST, and the Canada Child Tax Benefit Program}. How would you rate the overall performance of the Canada Revenue Agency? Would you say it is ...?

By province. Positive ratings of the CRA's performance (excellent or good) are most evident in the three Atlantic provinces of Nova Scotia (44%), PEI (43%) and Newfoundland/Labrador (44%), followed closely by Ontario (41%) and Manitoba (40%). By comparison, positive scores are lowest in Quebec (29%), as well as among rural residents (29%). Poor or very poor ratings are most evident among residents of Alberta (17%) and Saskatchewan (17%).

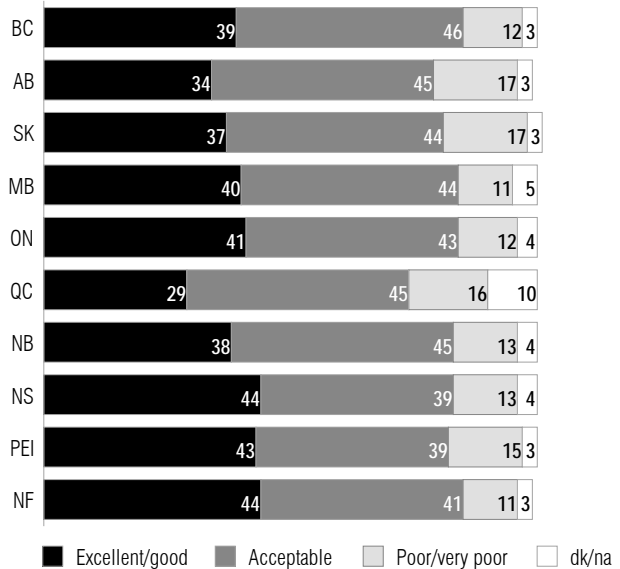
By demographics. Positive ratings are most likely to be given by non-native Canadians from countries other than the U.S. or Europe (48%), and allophones (55%; compared with 39% of anglophones and 28% of francophones). Ratings decline along with age group, with Canadians 18 to 29 the most positive (43%) and those 60 plus the most negative (35%). Positive ratings increase modestly along with education level (from 32% to 41%), but, notably, there is no significant difference in ratings across household income levels.

By experience with the CRA. Canadians' recent experiences with the CRA appears to be a significant factor influencing overall impressions of the Agency. Taxpayers are more likely to give a positive rating if they had a neutral to positive feeling about filing their 2004 return, and if the final assessment turned out as they expected it would be. Similarly, among those who contacted the CRA directly for service over the past year and had a positive service experience were much more likely to give an overall positive performance rating (50%), compared with those whose contact experience was either mixed (32%) or negative (23%; 32% of this last group give the Agency a poor or very poor overall rating).

As well, awareness of the Agency may play a role in perceptions about performance. Canadians with unaided awareness of the CRA were the most positive (42%), followed by those who recognized the Agency by name (39%), and those who did not (32%). Understanding of the Agency's mandate does not appear to play a major role in overall opinions. Those who give the CRA poor/very poor ratings (18%) are only marginally more likely than those who give excellent/good ratings (13%) to mistakenly believe that the CRA is responsible for government spending priorities.

CRA overall performance

By province 2005



Q.6

The Canada Revenue Agency, formerly known as Revenue Canada, is an agency of the federal government responsible for such things as {B.C. to Ontario: the collection of income tax, administration of the GST (or Goods and Services Tax), and the Canada Child Tax Benefit Program}, {Quebec only: the collection of federal income tax and the Canada Child Tax Benefit Program}, {Atlantic provinces: the collection of federal income tax, administration of the GST/HST, and the Canada Child Tax Benefit Program}. How would you rate the overall performance of the Canada Revenue Agency? Would you say it is ...?

By opinions about tax cheating. The likelihood of giving a *positive or acceptable* overall performance rating is not related to how taxpayers assess the level of effort they believe the CRA is putting into reducing tax cheating, or the likelihood of tax cheaters getting caught. However, the minority of Canadians who have a *negative* overall perception of the CRA are the most critical, as they are somewhat more likely than others to say the Agency is putting either too little effort (40%, versus 35% among others) or too much (9%, versus 3%) effort into enforcement.

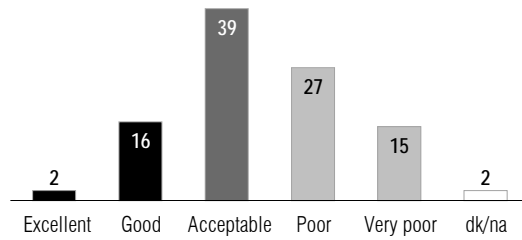
By general orientation towards government/taxes. Finally, broader attitudes or values also seem to play a role in how Canadians view the CRA. One such attitude relates to how taxpayers feel about the level of taxation in this country today. Among those who believe tax levels are about right (or too low), half (50%) give the CRA a positive assessment, compared with those who say that taxes are either somewhat (38%) or significantly (27%) too high.

Similarly, individuals who are positive toward the Agency are also ones who are positive about the performance of the Government of Canada generally (64% of this group give the Agency positive marks, compared with only 25% of those who are negative towards the government). While a strict causal relationship cannot be confirmed through these data, it is likely that broad opinions about the government as a whole are likely to influence attitudes about specific parts of the government (e.g. the CRA), rather than the other way around.

Given this dynamic, it appears that dissatisfaction with the federal government’s overall performance is likely having a negative impact on the public’s assessment of the CRA. Fewer than one in five say they believe the federal government is doing an excellent (2%) or good (16%) job, with more than twice as many giving it ratings of poor (27%) or very poor (15%). The most negative ratings are given by those living in Alberta (57%), older Canadians and those living in communities under 100,000 in population (49% each), while this view is less evident in the Atlantic provinces and non-native Canadians.

A further analysis of the factors influencing overall opinion of the CRA is presented later in the report (in the section entitled “Drivers of Overall Performance”). This analysis employs multivariate modelling techniques to identify the relative influence of many potential factors, and uncover those that most significantly “drive” Canadians’ assessment of the Agency’s overall performance.

Government of Canada overall performance 2005



Q.1

How would you rate the overall performance of the Government of Canada? Would you say it is ...?

Basis for overall performance ratings

Canadians tend to be positive about the CRA because they believe it is doing a good job or have never experienced a problem. Those who are negative most likely complain about high taxes or how tax revenues are spent, although some base this view on negative experiences.

Respondents providing an assessment of the CRA's overall performance were also asked to indicate *why* they provided the rating they did (unprompted, without offering response options).

Why "excellent" or "good" ratings. Those who are positive about the CRA overall are most likely to give somewhat generic reasons for this assessment. Half (49%) of this group say their rating is based on the view that the Agency is doing a good or efficient job (with no further specifics offered), while others say it is because they have never experienced a problem in dealing with them (18%) or because they believe the CRA plays an important role in collecting tax dollars (11%).

By comparison, fewer than one in ten cite more specific reasons for their positive assessment of the Agency. Most common among these is that the CRA staff do a good job (9%), the GST or Child Tax Benefits are helpful (a total of 7%), the methods now available to file returns and get forms (a total of 6%), and the quick receipt of tax refunds and benefit cheques (6%).

Why CRA performance is "excellent/good" 2005

	%
Does good/efficient job	49
Never had complaint/problem	18
Important role in collecting taxes	11
Staff/employees do a good job	9
Quick on tax returns/benefits	6
Helpful/solves problems	5
Child tax benefits helpful	5
Professional	4
Accessible information/easy to use forms	3
Updated technology/e-file/website/direct deposit	2
Makes sure taxpayers don't cheat	2
Fair/understanding/honest	2
GST return/benefits/bonuses	2
Other	6
Don't know/no answer	6

Q.7c

Why do you rate the performance of the Canada Revenue Agency to be good/excellent? Anything else?

Subsample: Those who rate the performance of the CRA as good or excellent (n=1,516)

Why “acceptable” ratings. The 44 percent of Canadians who give the CRA an “acceptable” rating are mixed in terms of the basis for this assessment. Most give this rating because they have no clear basis (information or experience) by which to be more definitive, while others offer either positive or negative reasons for this assessment.

This group is mostly likely to say they find the CRA’s performance to be acceptable because it is doing “an OK job” (23%), because they have not experienced or heard anything negative (23%), or simply have no strong opinion either way (13%). Smaller proportions cite negative reasons, such as taxes being too high, and finding the Agency to be too slow or disorganized, while others give positive reasons, such as a vote of confidence in the fairness of the tax system. One in ten (9%) of this group are unable to indicate why they give the Agency this particular rating.

Why CRA performance is “acceptable” 2005

	%
Does OK job	23
No problems/heard nothing bad	23
No strong opinion either way	13
Taxes are too high	8
Could be better/needs improvement	8
Disorganized/slow	5
Just doing their jobs	3
Disagree with how taxes are spent	3
CRA too aggressive in collecting taxes	3
Good/fair tax return system	3
Other positive reasons	11
Other negative reasons	6
Other reasons	4
Don’t know/no answer	9

Q.7b

Why do you rate the performance of the Canada Revenue Agency to be acceptable? Anything else?

Subsample: Those who rate the performance of the CRA as acceptable (n=1,751)

Why “poor” or “very poor” ratings. The small proportion (13%) of Canadians with a clearly negative view of the CRA offer a number of reasons for this assessment, only some of which pertain to the Agency’s mandate. This group is most likely to give negative ratings because they believe taxes are too high (24%), while others disagree with how tax revenue is being spent by the government (12%) or because they oppose the GST (8%).

By comparison, this group is somewhat less apt to cite reasons pertaining to a negative experience with the CRA (14%; this represents 1.9% of the total population) or similar issues with respect to the Agency being difficult to contact, unhelpful staff or forms that are difficult to use. Other small segments of this group are critical of the CRA in more general terms (e.g. seeing it as untrustworthy, inefficient, lax on enforcement, or unequal in its treatment of rich and poor).

Why CRA performance is “poor/very poor” 2005

	%
Taxes are too high	24
Negative experience with CRA	14
Disagree with how taxes are spent	12
Too heavy-handed with taxpayers	9
Too slow/inefficient/incompetent	9
Oppose GST	8
Untrustworthy/corrupt	6
Staff not helpful	6
Unfair/lack of equality	5
Difficult to contact	5
Tax forms difficult to use	3
Don’t catch tax evaders	3
Child tax credit unfair/poorly managed	2
Dislike government in general	2
Difficulty collecting outstanding taxes	2
Other reasons	8
Don’t know/no answer	7

Q.7a

Why do you rate the performance of the Canada Revenue Agency to be very poor/poor? Anything else?

Subsample: Those who rate the performance of the CRA as very poor or poor (n=550)

CRA values in the treatment of taxpayers

Canadians generally, but not overwhelmingly, agree that the CRA treats taxpayers appropriately, with respect to ensuring confidentiality of information, honesty, respect, fairness and professionalism. Such views are strongly tied to overall opinions of the Agency.

Overview. The Canada Revenue Agency has established the following corporate values: professionalism, integrity, respect and cooperation. The 2005 Annual Survey measured the extent to which the Canadian public believes these values fit with their own perceptions of how the CRA treats taxpayers. Respondents were asked to indicate the extent to which they agree or disagree with each of the statements, based on whatever they know, have heard or would guess with respect to the Agency's operations.

Overall, Canadians are more likely than not to believe that the CRA does in fact treat taxpayers in accordance with the values portrayed in all of the statements presented. A clear majority agree either completely or somewhat with each of the value statements, and the ratio of agree to disagree is more than three-to-one in all but one of the statements.

At the same time, only a minority of taxpayers appear to hold a strongly-held or definitive view on the CRA's adherence to these values. In all but one case, no more than one-third "completely agree" with any

of the statements, while fewer than one in ten "completely disagree" with them. It is the percentage who "completely agree" that provides the best differentiation of the relative strength of the extent to which the public believes the Agency operates according to each of these values.

The data reveal clearly that, while Canadians differentiate to some extent among the seven values presented, these perceptions are also strongly influenced by broader opinions about the Agency and their experiences with it.

National survey results. Of the seven value statements presented, the public is most likely to agree that "CRA treats taxpayer information with complete confidentiality." More than eight in ten completely (46%) or somewhat (37%) agree with this statement, compared with fewer than one in ten (9%) who disagree, and another eight percent who cannot say either way.

Three other value statements receive overall agreement by close to eight in ten Canadians, including "CRA staff are professional in the way they deal with taxpayers" (79%), "CRA is honest in dealing with taxpayers" (79%), and "CRA treats taxpayers with respect" (77%). With these statements, however, only one-third of the population voices "complete" agreement.

CRA values in treating taxpayers 2005

	COMPLETELY AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	COMPLETELY DISAGREE	NEITHER/ DK/NA
CRA treats taxpayer information with complete confidentiality	46	37	6	3	8
CRA staff are professional in the way they deal with taxpayers	34	45	9	4	8
CRA is honest in dealing with taxpayers	31	48	12	6	4
CRA treats taxpayers with respect	33	44	12	6	5
CRA treats taxpayers fairly	27	43	17	8	5
CRA is efficient in its operations	23	47	15	8	6
CRA appreciates taxpayers are sometimes confronted with unusually difficult circumstances	21	38	14	9	18

Q.8

I would now like to read you a few statements about the Canada Revenue Agency, or CRA. Please tell me whether you completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following ...

Seven in ten Canadians agree overall with two of the value statements: “CRA treats taxpayers fairly,” and “CRA is efficient in its operations.” In these cases, approximately one in four completely agree, while a similar percentage disagree (completely or somewhat).

Finally, there is the least public agreement on the extent to which “CRA appreciates that taxpayers are sometimes confronted with unusually difficult circumstances, such as illness or a death in the family.” Only six in ten Canadians completely (21%) or somewhat (38%) agree with this statement, compared with 23 percent who disagree, and almost one in five (18%) who cannot say either way. The high percentage of “don’t know” responses suggests that some people find it difficult to make a quick assessment or assumption about how the CRA might treat taxpayers in such circumstances, in the absence of any first or second-hand experience.

Group differences. While the overall pattern of agreement is similar across the population, there are some notable and consistent variations in perceptions that cut across the value statements.

The most significant factor influencing Canadians’ opinions about CRA values appears to be their broader assessment of the CRA’s overall performance. Across the seven value statements presented, the likelihood of complete agreement is most directly linked to this broader assessment. For instance, 46 percent of all Canadians completely agree that the CRA treats taxpayer information with complete confidentiality. But this view is much more widespread among those who rate the CRA’s performance overall as excellent or good (61%), compared with 42 percent who give “acceptable” ratings, and only 23 percent who say the Agency is doing a poor or very poor job.

This type of pattern is also evident with respect to Canadians’ experiences with the CRA among those who have had direct contact with the Agency within the past 12 months. Those with positive service experiences are much more likely to completely agree with each of the seven value statements.

Opinions on CRA values exist across provinces in a consistent pattern, but in most cases these differences are not substantial. Quebecers stand out as being less likely than other Canadians to completely agree with each of the value statements. This is most noticeable with treatment of taxpayer information (a 15-point gap compared with the national average), but more modestly with the other values (2- to 11-point gap). Residents of Alberta and Saskatchewan are somewhat more likely than others to disagree on these CRA values, in some cases joined by British Columbians.

As with overall performance ratings, Atlantic Canadians – especially those living in PEI and Newfoundland/Labrador – are the most ready to completely agree with each of the value statements.

Across demographic strata, age cohort also emerges as a factor linked to perception of CRA values (although this may in part be a function of an age difference in ratings of overall Agency performance). Canadians 18 to 29 are most likely to completely agree with each of the seven statements, while those 60 and older are least apt to do so (the drop-off is most noticeable after 45 and older).

Education level has only a modest effect on views about CRA values, and only for those statements related to honesty, respect and fairness. Household income is not significantly related to any of the values tested, which is notable given that high- and low-income individuals are likely to have very different tax situations which might be expected to influence their perspective on the CRA.

Finally, as was the case with overall performance ratings, ethnic background is also linked to opinions about CRA values. Non-native Canadians from countries outside the U.S./Europe and/or whose first language is neither English nor French (i.e. allophones) are the most likely to completely agree with all of the value statements presented.

EXPERIENCE WITH 2004 PERSONAL INCOME TAX RETURN

The 2005 Annual Survey probed Canadians' experience in filing their 2004 personal income tax return. Among those surveyed, 93 percent reported to have filed a return for the 2004 tax year. Across the country, this proportion ranges from 91 percent in Alberta and Ontario, to 96 percent in Saskatchewan. Reported filings increase along with age cohort, and are higher among francophones than among other linguistic groups.

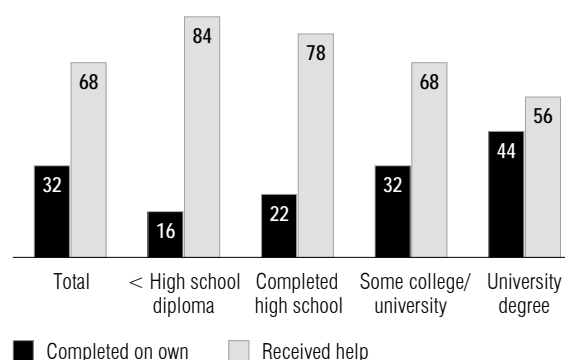
Process of filing 2004 return

Two-thirds of taxpayers completed their 2004 return with outside assistance, mostly from professional tax advisors or services. Close to half filed their return electronically, with most of the remainder sending it in by mail.

Assistance in completing the return. Among those who reported to have filed a 2004 personal income tax return (93% of the population), one-third (32%) indicate they completed the return completely on their own, while the majority (68%) say they received help from someone else. Across provinces, self-completion is somewhat more likely to be reported by residents in B.C. (36%) and Nova Scotia (37%), while this is less apt to be the case in Saskatchewan (28%), Manitoba (29%) and Quebec (29%). Self-completion is also a function of community size, ranging from 36 percent in the country's three major urban centres, to only 26 percent among rural residents.

Across demographic strata, education is the most significant differentiator of whether taxpayers completed their own tax return. Self-completion is reported by

Completion of 2004 tax return
2005 By education



Q.10

Did you complete your tax return on your own, or did you get help from someone else?

Subsample: Those who have sent in their personal {Quebec: federal} income tax return for 2004 (n=3,725)

44 percent of Canadians with a university degree, compared to only 16 percent among those without a high school diploma. Self-completion is also higher among men, taxpayers 30 to 59 years of age, those who filed by mail, and those who have contacted the CRA directly within the previous three months (i.e., likely with questions about their return).

Those who obtained assistance on their 2004 tax return were most likely to rely on professional advice, in the form of an accountant or tax preparation service (70% of this group, which translates into 48% of all Canadians who filed a 2004 return). The remainder received help from a friend or family member (27%), from a volunteer program, from the CRA or from other sources.

Professional assistance is the norm across the country, but was most likely to be used by residents of Saskatchewan (76%), while lower in Nova Scotia, PEI and Newfoundland/Labrador (all less than 60%), where taxpayers were among those most apt to rely on friends and family. Professional help is also more widely reported by men, Canadians 30 and older, those with annual household incomes over \$20,000, and those who filed electronically. (Of note is the fact that taxpayers relying on professional assistance tend to have more negative views about the overall amount of tax that Canadians pay today). Volunteer programs were most likely to be used by taxpayers in the lowest tax bracket (7%).

Source of assistance with 2004 return 2005

	%
Professional tax service/accountant	70
Friend/family member	27
Volunteer program	1
CRA	1
Other	2
Total may exceed 100% because of rounding	

Q.11

From whom did you get help?

Subsample: Those who have sent in their personal {Quebec: federal} income tax return for 2004 and who received help (n=2,491)

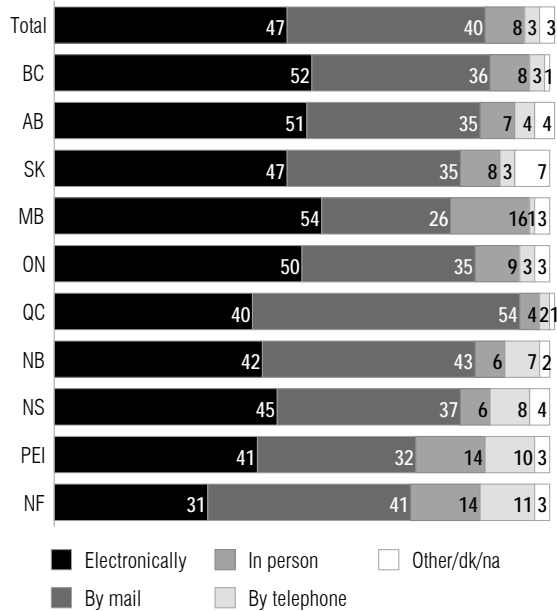
Method of filing. Among Canadians filing a 2004 personal income tax return, almost half (47%) report to have sent in their return electronically, compared with 40 percent who did so by mail, and much smaller percentages who filed their return in person (8%) or by telephone (3%).

Use of electronic filing is higher in Western Canada, notably Manitoba (54%), B.C. (52%) and Alberta (51%). By comparison, this method was reported by well under 50 percent in Quebec and Atlantic Canada, especially in Newfoundland/Labrador (31%). Across the population, household income is perhaps the driving factor influencing selection of this filing mode: It was used by six in ten (58%) in the top income bracket, compared with only 32 percent in the lowest bracket (higher income households would be more likely to use an accountant and/or have the required Internet access).

Electronic filing is also more popular with taxpayers 30 to 44 years of age, and among those with at least some college or university education. This method was used by 52 percent of taxpayers who received assistance with their 2004 return, compared with 37 percent of those who completed it wholly on their own.

The choice of filing by mail for the 2004 tax year was most common in Quebec (54%), by Canadians with annual household incomes under \$20,000, and those who relied on self-completion. In-person delivery to a CRA tax office was most prevalent in Manitoba (16%), Newfoundland/Labrador (14%) and PEI (14%) and by low-income households across the country. Telephone filing is most commonly reported by residents in the four Atlantic provinces (ranging from 7% to 11%).

Method of filing 2004 return By province 2005



Q.12

Did you file your tax return this year ...?

Subsample: Those who have sent in their personal {Quebec: federal} income tax return for 2004 (n=3,725)

Filing experience and outcome

One in four taxpayers had a negative emotional reaction to completing their 2004 tax return, and this experience appears to colour their broader view of the CRA. Eight in ten found their final assessment to be about what they expected it would turn out to be.

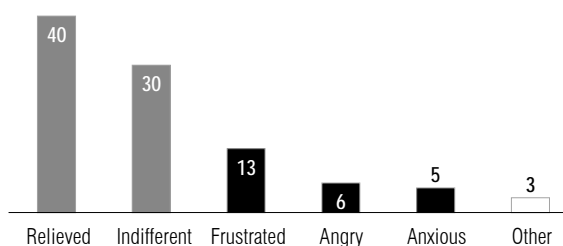
Emotional reaction to completing the return. Apart from measuring how taxpayers went about filing their personal tax returns, it is also valuable to understand how they subjectively experience this process. This is useful, in part, as an indicator of customer service (e.g. in order to identify whether certain groups are experiencing stress or difficulty in completing the return). It is also important to understand the extent to which emotional reactions to this annual task influences taxpayers' broader attitudes about the CRA.

To address this issue, the survey asked respondents to indicate which one of five specified emotions best described how they felt upon completing their 2004 personal income tax return (other responses could be volunteered).

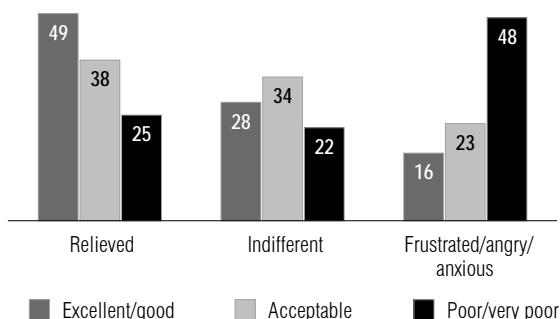
The full spectrum of responses was reported, but by far the most common reactions were the benign emotions of "relief" (40%) and "indifference" (30%). A total of one-quarter of taxpayers had a distinctly negative experience, in the form of "frustration" (13%), "anger" (6%) or "anxiety" (5%). The remainder volunteered other positive emotions (e.g. satisfaction, happiness) (2%) or other types of emotional response (1%).

Across the population, the primary differences in emotional response were in the propensity to experience relief versus indifference. Relief was most commonly reported by residents of PEI (48%), and Newfoundland and Labrador (49%), among women, Canadians under 30 and over 59, those with incomes under \$40,000, and allophones. Indifference was most evident among Quebecers (38%), residents of major urban centres, men, Canadians under 45 years of age, those with higher levels of education and income, and taxpayers who filed their return by mail.

Emotional response to completing 2004 return 2005



Emotional response to completing 2004 return 2005 By overall CRA performance



Q.13

Which one of the following words best describes how you felt upon completing your income tax return this year? Did this experience leave you feeling ...?

Subsample: Those who have sent in their personal {Quebec: federal} income tax return for 2004 (n=3,725)

In contrast, the likelihood of experiencing frustration, anger or anxiety upon completing one's tax return does not vary noticeably across provinces or demographic strata. Notably, emotional reactions are roughly the same whether taxpayers completed their own return or received help (although the latter group was marginally more apt to say they were anxious, 6% versus 2% among those who completed their own return).

What does distinguish the group reporting these negative emotional reactions is that they are among the most critical in their general opinions of the CRA, in terms of overall performance and service experience (if they have had any in the past year). For instance, the proportion experiencing any of these three negative

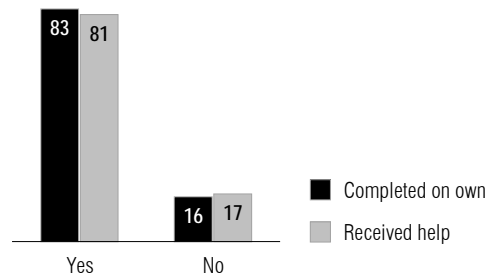
emotions totals 16 percent among those who rate the CRA's overall performance to be excellent or good, rising to 23 percent among those giving an "acceptable" rating, and jumps to 48 percent among those who believe the Agency is doing a poor job overall. These results provide evidence that taxpayers' subjective experience in completing their personal income tax return is a factor colouring their overall view of the Agency (see section on "Drivers of Overall Performance" for a full discussion of the influence of this experience in relation to other factors).

Assessment outcome versus expectations. Of the taxpayers who filed a 2004 return, 84 percent report that they received their refund and/or notice of assessment by the time they were interviewed for the survey. This group was then asked if their final assessment for the year turned out as they expected it (i.e. did they end up owing or receiving back in refund the amount of tax that they expected prior to filling out their return). The purpose of this question is to assess the extent to which the filing process ended with a predictable outcome versus an unexpected (and typically negative) surprise.

In fact, eight in ten (82%) taxpayers who had received their final assessment say that their taxes for the year did turn out as they expected. This response is largely similar across the population, regardless of province, method of filing or whether they completed their return on their own or with help. Education level appears to make a minor difference, as those with at least some college or university are more apt to provide an affirmative response (83%), and those without a high school diploma least likely to report this outcome (75%).

Not surprisingly, there is a noticeable relationship between the expected outcome and taxpayers' emotional reaction to completing the return. Among those with an indifferent or relieved response, close to nine in

Did your 2004 taxes turn out as expected? 2005 By who completed return



Q.15

Did your taxes for this year turn out as you expected? That is, did you end up paying about the amount of tax for 2004 that you expected you would have to pay, prior to filling out your return?

Subsample: Those who have sent in their personal {Quebec: federal} income tax return for 2004 and who have received their tax refund and/or Notice of Assessment back from the CRA (n=3,188)

ten (88%) say their final tax bill was pretty much as expected, while this proportion is significantly lower among those whose reaction was frustration, anger or anxiety (62%).

Finally, having a predictable outcome to the 2004 tax return is also linked modestly to broader opinions about the CRA, although not to the same degree as the emotional reaction to completing the return. An expected outcome is reported by 87 percent who rate the Agency's performance to be excellent or good, compared with 81 percent among those who give an acceptable rating, and 73 percent among those who believe it is doing a poor or very poor job.

DIRECT EXPERIENCE WITH THE CRA – CONTACT/DEALINGS

The 2005 Annual Survey also addressed taxpayers' direct experience with the CRA, in situations where they initiated contact with the Agency to get information or receive a service.

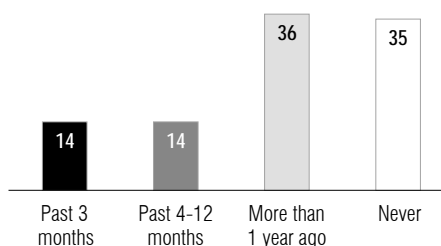
Previous contact

More than one in four Canadians have initiated contact with the CRA in the past year, primarily about their personal income tax.

Last direct contact. A significant minority of Canadians report having been in recent contact with the CRA, either by phone, fax, e-mail or in person, in which they dealt directly with a CRA staff person in order to get information or receive a service. One in seven (14%) say this contact was in the past three months, while another one in seven (14%) contacted the CRA in the past four to 12 months. The remainder are evenly split between those who last contacted the CRA over a year ago (36%), and those who have never initiated direct contact with the Agency for such purposes (35%).

The most notable influence on the likelihood of having contacted the CRA in the past three months is Canadians' 2004 tax filing experience. Recent contact is most common among taxpayers who completed their return without help (19%), those who filed their return in some way other than by mail or electronic methods (19%), and those whose 2004 tax assessment did not turn out as expected (19%). Otherwise, the likelihood of such recent contact with the CRA is generally similar across the population, being somewhat higher in PEI (21%) and among Canadians with annual household incomes under \$20,000 a year (19%).

Last direct contact with the CRA 2005



Q.16

When was the last time you personally contacted the Canada Revenue Agency by phone, by fax, by e-mail or in person, in which you dealt directly with a CRA staff person in order to get information or receive a service? Was it in ...?

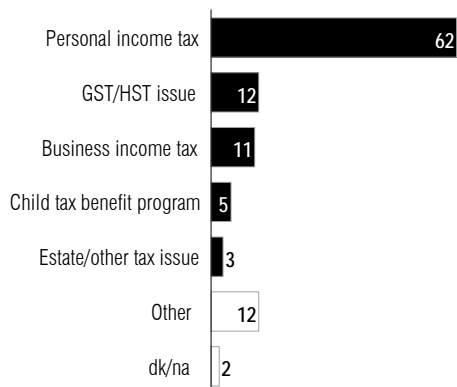
Those who have *never* personally contacted the CRA for information or service are most likely to live in Quebec (49%) or New Brunswick (44%). This also applies to Canadians with lower levels of education and income, 18- to 29-year-olds (51%), and allophones (44%).

Reason for contact. Canadians who have personally contacted the CRA in the past 12 months (28% of the population) were asked about the purpose of their most recent contact. Personal income tax is by far the most common reason, mentioned by six in ten (62%), and this is particularly likely to be the case among those who contacted the Agency within the previous three months. Considerably fewer contacted the CRA for reasons involving the GST/HST (12%), business income tax (e.g., for small business or self-employment purposes) (11%), the Child Tax Benefit Program (5%) or estate taxes (3%).

Personal income tax is the main reason for contacting the CRA across all provinces and demographic segments. Those who completed their 2004 return on their own (72%) rather than having help (55%) are more likely to have contacted the CRA for this reason.

Contacting the CRA about business income tax is more common among B.C. residents (17%), men (14%), and those aged 30 to 59 years (13%). The Child Tax Benefit Program is most apt to be mentioned by residents of New Brunswick (13%), women (8%) and 18- to 44-year-olds (9%).

Reasons for most recent contact 2005



Q.17

Was this most recent contact with CRA concerning your personal income tax, business taxes, a GST issue or for some other reason? Subsample: Those who contacted the CRA within the past year (n=1,187)

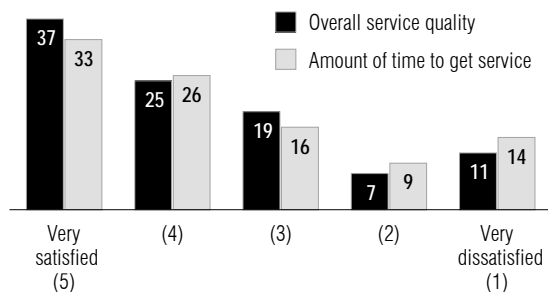
Satisfaction with most recent contact experience

Canadians who contacted the CRA in the past year are mostly positive about the service they received, both overall and in terms of timeliness, fair treatment and staff competence. Satisfaction is strongly related to having a successful outcome to their inquiry.

Canadians who personally contacted the CRA in the past 12 months (28% of the population) were asked about their satisfaction with their most recent service experience, both overall and in terms of other specific aspects of this contact.

Overall satisfaction. Canadians were asked to rate their overall satisfaction with their most recent contact with the CRA over the past year, using a scale from '1' to '5', where '5' means 'very satisfied' and '1' means 'very dissatisfied.' Overall, Canadians provide a positive assessment of the quality of service they received. Six in ten (62%) give satisfaction ratings of 4 or 5, including 37 percent who say they are very satisfied. One in five (19%) give a neutral rating ('3'), while another one in five (18%) express dissatisfaction with the service they received from the CRA.

Satisfaction with most recent contact experience 2005



Q.18a

How satisfied were you with the overall quality of the service you received when you contacted the Canada Revenue Agency on this most recent occasion, with "1" meaning "very dissatisfied" and "5" meaning "very satisfied"?

Q.18b

And how satisfied are you with the amount of time it took to get the service during this most recent contact with CRA? Subsample: Those who contacted the CRA within the past year (n=1,187)

There is some variation in level of overall satisfaction by province and demographic segments. Satisfaction is highest in PEI (55% very satisfied), and Newfoundland and Labrador (54%), while dissatisfaction is most common in Quebec (18% very dissatisfied) and New Brunswick (21%). Those living in communities with fewer than 5,000 residents (18%), those 30 years and older (12%), and francophones (21%) are also more apt to say they are very dissatisfied with the service quality they received from the CRA.

Satisfaction does not vary in relation to the reported reason for the contact, at least partially because there is limited variation in why people contacted the CRA (most people say it was for their personal income tax and few other reasons were mentioned).

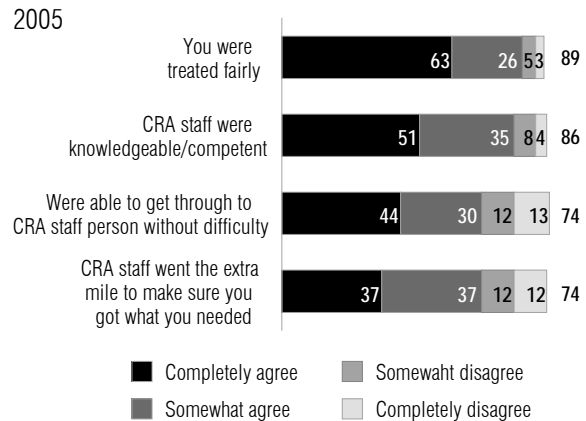
Timeliness of service. Satisfaction with the amount of time to get the service during this most recent contact with the CRA is generally similar to overall satisfaction levels, although there is a somewhat greater tendency towards dissatisfaction. Using the same scale from ‘1’ to ‘5,’ six in ten (59%) give positive satisfaction ratings of 4 or 5, including one in three (33%) who indicate they were very satisfied. One in six (16%) give a neutral rating (3), while one-quarter (23%) are dissatisfied with how long it took to get the service they received from the CRA (with 14% very dissatisfied).

As might be predicted, there is considerable overlap between those who express satisfaction with the CRA’s service overall and with the timeliness of that service. Among those who are very satisfied with timeliness of service on this occasion, seven in ten (69%) are very satisfied with the overall service quality, compared with only eight percent of this group who are dissatisfied (1 or 2) with overall service quality.

There is limited variation in satisfaction with the timeliness of service by province and demographic group. The proportion who say they are very satisfied is highest in PEI (45%) and among those with less education (46% among those without a high school diploma). Strong dissatisfaction is most evident among francophones (19%) and residents of communities with fewer than 5,000 people (21%).

Other aspects of service quality. In addition to overall satisfaction and timeliness, Canadians were asked

Opinions of service quality



Q.19

I would now like to ask about the service you received from the Canada Revenue Agency on this most recent occasion. Please tell me whether you completely agree, somewhat agree, somewhat disagree or strongly disagree with each of the following statements ... You were able to get through to a Canada Revenue Agency staff person without difficulty ... Canada Revenue Agency staff were knowledgeable and competent ... You were treated fairly ... Canada Revenue Agency staff went the extra mile to make sure you got what you needed.

Subsample: Those who contacted the CRA within the past year (n=1,187)

to evaluate their most recent contact experience with respect to four other specific aspects of service. Those taxpayers with such experience are generally positive about the service they received, with more than seven in ten agreeing completely or somewhat that the CRA delivered on each of these four service elements, compared with a much smaller proportion (8% to 25%) expressing disagreement. To better differentiate between the various elements, the remaining analysis focuses on those who express the most agreement (i.e. “completely” agree).

There is widespread agreement among taxpayers that they were “treated fairly” during their most recent contact with the CRA (63% completely agree). A majority (51%) also completely agree that CRA staff were “knowledgeable and competent.” Those making contact are somewhat less likely to agree that they were “able to get through to a staff person without difficulty” (44%), and that “staff went the extra mile to ensure they got what they needed” (37%).

The overall pattern of agreement is similar across the population, with only a few variations specific to each statement. Quebec residents are less likely to completely agree about the fairness of service and knowledge/competence of CRA staff. Agreement about knowledgeable/competent staff is highest in Newfoundland/Labrador and among 18- to 29-year-olds.

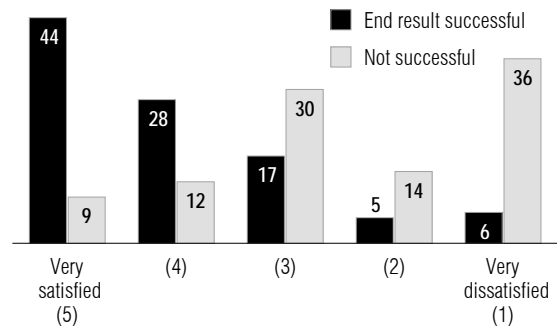
Complete agreement about getting through to CRA staff without difficulty is highest in Manitoba and lowest in Ontario, and is significantly higher among men than women. Finally, the view that staff went the extra mile is most common in New Brunswick and Newfoundland/Labrador, among those 60 years plus, those with household incomes under \$40,000, and among non-natives from a country other than the U.S. or Europe.

Outcome of most recent contact. Aside from their opinions of the service they received in their most recent contact with the CRA, in the end did these taxpayers achieve their purpose in contacting the Agency on this occasion? In fact, eight in ten (82%) of those who contacted the CRA in the past 12 months say they got what they needed on this particular occasion, compared with 17 percent who did not.

The proportion who report a successful end result is high across the population, but is particularly strong among non-natives originating from a country other than the U.S. or Europe (89%). It is lower among those in small communities of less than 5,000 people (73%), and among those in more recent contact with the CRA (78%) compared to those whose contact was over three months ago (86%).

A successful end result is a significant determinant of overall satisfaction with the overall service quality received from the CRA. Those who got what they needed in the end are more than twice as likely as those who did not to say they are satisfied with the CRA's service (72% vs. 21%). Thus, one of the factors explaining the overall positive assessment of the CRA's service quality is the relatively high proportion who accomplished the purpose of their contact.

Satisfaction with overall service quality
2005 By end result



Q.18a

How satisfied were you with the overall quality of the service you received when you contacted the Canada Revenue Agency on this most recent occasion, with "1" meaning "very dissatisfied" and "5" meaning "very satisfied"?

Subsample: Those who contacted the CRA within the past year (n=1,187)

Q.20

In the end, did you get what you needed from the Canada Revenue Agency on this particular occasion?

Subsample: Those who contacted the CRA within the past year (n=1,187)

General experience with CRA contact

Most Canadians believe the CRA provides services in both official languages, treats taxpayers as honest, and provides accurate information, but are less apt to say this information is easy to understand. Most rate the CRA's service as comparable to other federal departments and financial institutions.

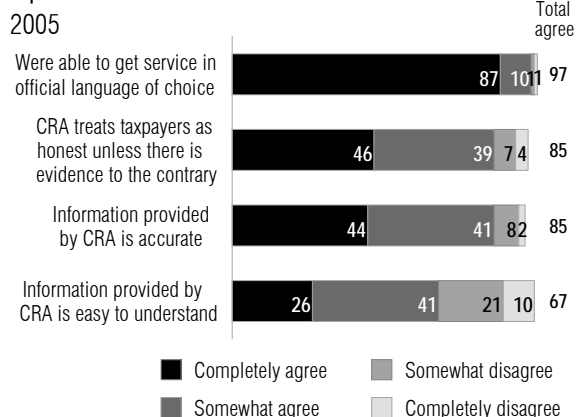
Canadians who had ever been in contact with the CRA (either within the past year or earlier; representing 64% of the total population) were asked more generally about their experience, including their opinions of specific service areas. (Note: In contrast to the previous section, these questions do not focus on a specific contact experience with the Agency.)

Opinions of service quality. The survey presented four areas in which the CRA strives to provide service to Canadians. Respondents were asked to indicate the extent to which they agree or disagree with each statement, indicating the extent to which these statements fit their perceptions of CRA service based on their previous contact with the department.

There is considerable variation in how taxpayers rate CRA service in these four areas. Of the four statements presented, agreement is strongest that “*You were able to get service in the official language of your choice.*” Almost nine in ten (87%) completely agree with this statement, while another one in ten (10%) somewhat agree compared with only two percent who disagree. While overall agreement is high in Quebec (96% completely or somewhat agree), these residents are less likely than those in other provinces to completely agree that service was available in their language of choice (67%).

Overall agreement also remains high for the remaining statements, although the level of complete agreement drops off considerably. More than eight in ten (85%) agree overall that “*The CRA treats taxpayers as honest unless there is evidence to the contrary,*” including more than four in ten (46%) who completely agree. The findings are similar for the statement “*The information provided by the CRA is accurate,*” with more than eight in ten (85%) who agree overall, including 44 percent who completely agree.

Opinions of service



Q.21

Please tell me whether you completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following statements ... The Canada Revenue Agency treats taxpayers as honest unless there is evidence to the contrary ... You are able to get service in the official language of your choice; that is, English or French ... The information provided by the Canada Revenue Agency is easy to understand ... The information provided by the Canada Revenue Agency is accurate. Subsample: Those who have ever contacted the CRA (n=2,662)

Taxpayers who have had contact experience with the CRA are least likely to agree that “*The information provided by the CRA is easy to understand.*” Two in three (67%) agree with this statement, but only one in four (26%) completely agree, compared with three in ten who somewhat (21%) or strongly (10%) disagree.

Across the country, agreement that CRA information is easy to understand is higher in Manitoba and Ontario (together with Newfoundland/Labrador), among those from non-natives from somewhere other than the U.S. or Europe, 18- to 29-year-olds, and those with lower socioeconomic status (less education and lower incomes). Residents of British Columbia and Alberta, those born in Canada, the U.S. or Europe, and anglophones are most likely to disagree with this last statement. Residents of Newfoundland and Labrador are more likely than others to agree that taxpayers are treated as honest, and that CRA information is accurate and easy to understand. However, the remaining

variations in agreement follow no clear pattern and tend to be specific to each statement. The perception that taxpayers are treated as honest is higher among the youngest (18 to 29) and oldest (60+ years) age cohorts, among those with annual household incomes under \$20,000 a year, and is lowest in Quebec and among francophones.

The likelihood of agreeing that the CRA provides accurate information is higher in Manitoba and Newfoundland/Labrador, among 18- to 44-year-olds and those with a post-secondary education, and is lowest among Quebecers and those living in communities with under 5,000 people.

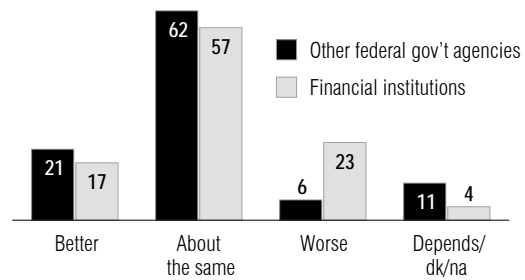
Comparison with other institutions. Canadians' assessment of service quality is not formed in a vacuum, and is likely influenced by experiences and expectations formed through services received from other types of institutions. The 2005 Annual Survey addressed this issue of relative performance by asking respondents to compare their CRA service experiences with the level of service they have received from other federal government departments and financial institutions (e.g., banks) with which they do business.

The results show that a majority of Canadians with CRA contact experience consider the level of service provided by the Agency to be similar to both other types of institutions with which they have had contact. Among those who make a differentiation, the CRA tends to be seen as providing better service than other federal agencies, while somewhat less so when compared with private financial institutions.

In comparison to other federal departments, six in ten (62%) taxpayers with CRA contact experience say the customer service provided by the CRA is about the same. The remainder are more likely to say CRA service is better (21%) than to say it is worse (6%), while one in ten (11%) are unable to answer the question, perhaps due to inexperience with other areas of government.

A similar proportion (57%) say that the CRA's customer service is about the same as the financial institutions they use. However, in this case, a slightly greater number (23%) say the service is in fact worse compared to those who say it is better (17%). Only four percent are unable to provide a response.

Service comparison with other institutions 2005



Q.22

Based on your experience, would you say the level of customer service provided by the Canada Revenue Agency is better, about the same or worse than the service you might receive from ... Financial institutions with which you currently do business ... Other federal government agencies and departments you have dealt with?

Subsample: Those who have ever contacted the CRA (n=2,662)

The perception that CRA service is better than other government departments is highest among men (23%), and residents of Manitoba (28%) and B.C. (25%). Residents of B.C. are among the more polarized in their opinions, as they are also more likely than others to say that CRA service is worse than other government departments.

The likelihood of rating CRA service as better than financial institutions is highest in Newfoundland and Labrador (22%), among those living in cities of one million or more, allophones, non-natives from a country other than the U.S. or Europe, younger Canadians, and those with lower incomes. Residents of B.C., Alberta and Ontario, Canadian-born residents, anglophones, those with a post-secondary education, and those with annual household incomes of \$80,000 or more are most likely to say that CRA service is worse in comparison to financial institutions.

COMPLIANCE AND TAX CHEATING

The 2005 Annual Survey included a special section on the topic of compliance and tax cheating, intended to provide insight into Canadians' perceptions about the extent and nature of the problem.

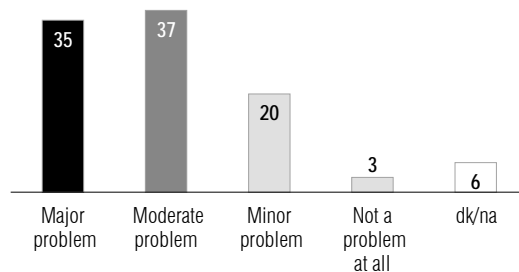
The extent and acceptability of tax cheating

Most Canadians believe tax cheating is a problem today, although fewer than half believe it is a major problem or is getting worse. There is broad agreement that cheating is unacceptable, but, at the same time, most Canadians think others would bide income given the chance.

Extent of tax cheating. What do Canadians believe is the extent of income tax cheating in Canada today? In fact, there is no consensus on the extent of the problem. One in three (35%) Canadians say income tax cheating is a major problem, while a similar proportion (37%) say it is a moderate problem. By comparison, one in four rate the problem as minor (20%) or non-existent (3%), while another six percent are unsure.

Across the country, the perception that income tax cheating is a major problem is dramatically higher in Quebec (54%) and among francophones generally (56%), and moderately higher in New Brunswick (38%), compared with other provinces. This view is also more common among Canadians without a post-secondary education (41%). Canadians in the youngest age cohort (18 to 29 years), and those living in cities between 100,000 and one million people are least likely to call tax cheating a major problem. Tax cheating is most apt to be labelled a minor or non-existent problem by residents of Alberta (30%) and Saskatchewan (31%), as well as among non-native residents from countries outside the U.S. and Europe (28%).

Perceived extent of income tax cheating
2005



Q.24

In your view, do you think that income tax cheating in Canada today is ...?

Trend in tax cheating as a problem. Canadians were also asked how they believe the problem of tax cheating has changed over the past couple of years, and the survey findings suggest that Canadians are fairly divided as to whether the problem is stable or getting worse. Half (48%) say the problem has remained about the same over the past couple of years, while a substantial minority (39%) believe that income tax cheating has become more of a problem. Only three percent (3%) believe it has become less of a problem, while one in ten (10%) say it depends or are unsure about how cheating has changed.

Canadians' perceptions on this issue are closely related to the overall extent to which they believe tax cheating is a problem, in a predictable pattern. The belief that tax cheating is getting worse is significantly greater among those who believe that tax cheating is already a major problem (62%), compared to those who say it is a moderate problem (34%), or a minor to non-existent problem (19%).

Due to this link between perceptions of problem magnitude and trend, some of the same patterns by province and demographic segment that exist regarding the extent of the problem are evident in terms of perceptions of how the problem has changed. Quebecers (47%) and New Brunswickers (41%) are most likely to say that the problem of tax cheating has increased over the past few years. This perception is also higher among those born in Canada (41%), compared to those born in the U.S. or Europe (30%) or in another country (29%). Canadians 18 to 29 years of age (55%) are more

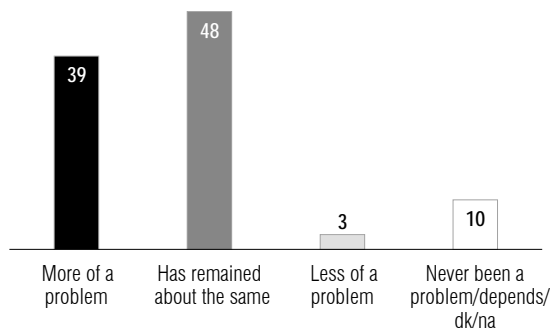
likely than their older counterparts (46%) to say that the problem has remained about the same.

General attitudes about tax cheating. The survey probed on attitudes about the acceptability of tax cheating and Canadians' propensity to do so. Overall, the results reveal that most Canadians feel such cheating to be unacceptable behaviour, but at the same time believe that it invariably happens when the opportunity arises.

Canadians are most in agreement that "When people cheat on income taxes, it reduces money available for essential services, such as health and education." More than eight in ten completely (57%) or somewhat (27%) agree with this statement, compared with just over one in ten (14%) who disagree. A comparable proportion disagree with the statement that "It's OK for people not to declare income received in cash." Only one in four (24%) agree overall that this is acceptable, while the large majority either somewhat disagree (27%) or completely disagree (42%).

Despite this widespread view about the inappropriateness of tax cheating, a majority of Canadians also agree that "Given the opportunity, most people would hide income to avoid paying taxes." Seven in ten completely (30%) or somewhat (38%) agree that this is the case, compared to 28 percent who disagree.

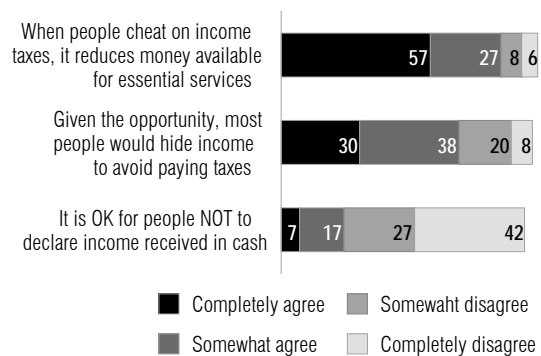
Has tax cheating gotten better or worse? 2005



Q.25

Over the past couple of years, do you think income tax cheating has become ...?

Opinions about income tax cheating 2005



Q.28a-c

Please tell me whether you would completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following statements ...

Such attitudes do not vary significantly across provinces in most cases. Albertans are somewhat less likely than others to agree that cheating lowers the amount of money available for public services (77%), while Quebecers are more apt than other Canadians to say it's OK not to declare cash income (28%).

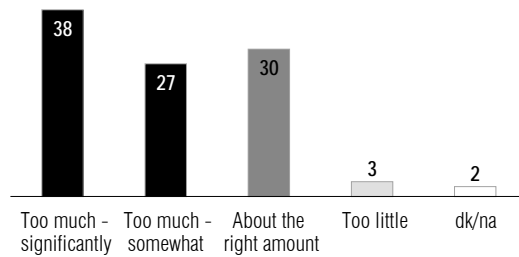
Opinions on these statements do vary by age and education level. Younger Canadians (and especially 18- to 29-year-olds) are most likely to agree that cheating reduces the pool of money available for public services, that most people would hide income if they could, but also that it is acceptable not to declare cash income. Canadians with a post-secondary education are also more apt to agree that cheating negatively affects the money available for public services, but are also less likely to believe that most people would hide income if given the chance, and to believe it is acceptable not to declare cash income.

Attitudes about tax cheating are influenced in part by perceptions about the extent of the problem. Those who believe that income tax cheating is a major problem are more likely than others to agree that cheating reduces money available for essential government services, and that most people would hide income if they could. In turn, those who say that cheating is only a minor or no problem at all are most apt to agree that it's OK for people not to declare cash income.

Level of taxation. Relevant to opinions about tax cheating is a more fundamental perspective about the level of taxes that Canadians currently pay. In general, how do taxpayers feel about the amount of taxes Canadians pay as a whole, compared to the services provided by governments? Two-thirds of those surveyed express the view that Canadians are paying significantly too much (38%) or somewhat too much (27%) in taxes today, compared with three in ten (30%) who consider current taxation levels to be about right, and another three percent who say they should be higher.

Across the country, those most likely to say Canadians are paying significantly too much tax are Quebecers (54%), men (41%), Canadians 45 to 59 years of age (46%), and those generally critical of the CRA and/or the Government of Canada. This view is least evident among residents of Saskatchewan (27%), Manitoba (28%) and Newfoundland/Labrador (25%), among

Attitudes toward amount of taxes in Canada 2005



Q.29

Thinking about the level of taxes that Canadians as a whole pay, compared to the services that are provided by governments, do you feel that Canadians pay too much, about the right amount, or too little in taxes? {If "too much," probe: Do you think Canadians pay "significantly" too much, or "somewhat" too much in tax?}

Canadians 18 to 29 (24%) and those in the lowest income bracket (30%). Those who believe the level of taxation is about right can most likely be found in Manitoba (36%) and Nova Scotia (37%), and among those with a university degree (35%).

Opinions about the current level of taxation appear to exert some influence on broader attitudes towards tax cheating, in that those who believe that taxes are too high tend to be more lenient in their opinions about the acceptability of such behaviour. Specifically, those who say Canadians pay significantly too much tax are less apt to believe tax cheating is a major problem in Canada today and that cheating reduces the money available for government services, and more likely to say that it is OK not to declare cash income, and that people would hide income from taxation given the opportunity. It should be noted that these differences represent more a matter of degree than a substantively different point of view (i.e. those who believe Canadians pay significantly too much in taxes still believe that cheating is unacceptable, but to a lesser extent than others).

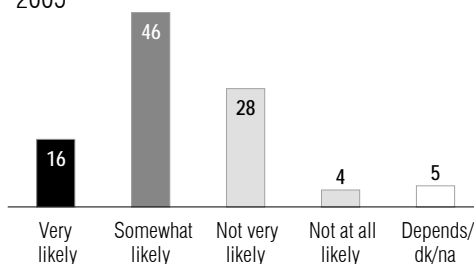
Enforcement

Canadians tend to believe tax cheaters are more likely than not to be caught, but most believe there is no way for the CRA to know about undeclared cash income. Opinions are mixed on whether the CRA is putting sufficient effort into reducing tax cheating.

Likelihood of getting caught. How much confidence does the public have in the system for ensuring compliance with the country's tax laws? Canadians are generally, but less than completely, confident that Canadians who cheat on their income taxes will get caught. Six in ten (62%) say it is at least somewhat likely that those who cheat will be identified, but only 16 percent think this is very likely. There is also a substantial minority (32%) who believe it is not very or not at all likely that cheaters get caught, while five percent say this depends or are unsure.

Views on this question are largely consistent across the population, with some variation by province and demographic strata. Residents of Saskatchewan (71%), Manitoba (69%), Nova Scotia (69%), and Newfoundland and Labrador (70%) are most likely to believe it is at least somewhat likely that cheaters will be identified (and it is residents of the Atlantic provinces who are most apt to say it is very likely). This opinion is also more widespread among women (65%) than men (61%), among those without a university degree (65%) and those with annual household incomes under \$60,000 (67%). At the opposite end of the continuum, little or no success at catching tax cheaters is most apt to be predicted by residents of B.C. and Alberta, among men, university graduates, and those with higher levels of household income.

Likelihood of getting caught 2005



Q.26

How likely do you think it is for Canadians who cheat on their income taxes to get caught? Would you say this is ...?

Attitudes about the effectiveness of tax compliance measures are linked to Canadians' perceptions about the extensiveness of the problem. Those who are less concerned about the tax cheating problem (i.e. say it is a moderate, minor or no problem at all) are also those most likely to be optimistic that tax cheaters will be caught. A similar finding is evident among Canadians who say there has been no change or even a decline in tax cheating over the past few years: This group is more likely than those who think that the tax cheating problem has grown to say it is very likely that tax cheaters will be identified.

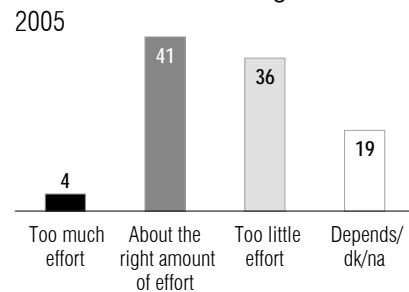
Finally, Canadian views on this issue do not appear to be linked to their overall assessment of the CRA: The likelihood of giving the Agency excellent or good performance ratings is essentially the same whether respondents think it is very likely (35%), somewhat likely (39%), or not very or at all likely (37%) that cheaters will get caught.

CRA enforcement efforts. Does the public believe the CRA is doing enough to crack down on tax cheating? There is no consensus among taxpayers, but the balance of opinion is that more needs to be done (as might be expected given that most people consider this to be a problem in Canada today). Four in ten (41%) say that the CRA is putting the right amount of effort into addressing this problem, compared to slightly fewer (36%) who say too little effort is being made. Only four percent believe too much effort is going into reducing income tax cheating, while a substantial minority (19%) do not provide an opinion, likely because they are not familiar enough with the CRA's current efforts to comment.

Predictably, perceptions of the CRA's level of effort are linked to perceptions of the extent of the problem and the likelihood of cheaters getting caught. The propensity to say that the CRA is investing the right amount of effort is greatest among those who believe the problem is less serious, and those who think it is very or somewhat likely that cheaters will be caught. However the existence of such an association does not indicate the direction of the "causal arrow." That is, the results do not provide any basis by which to conclude whether perceptions of the CRA's level of effort are influencing opinions about the problem and the chance of getting caught, or vice versa.

Some variation in opinions on this question are also evident across provinces and demographic segments. Quebecers (52%) and francophones (53%) are among

Perception of the CRA's effort to reduce tax cheating



Q.27

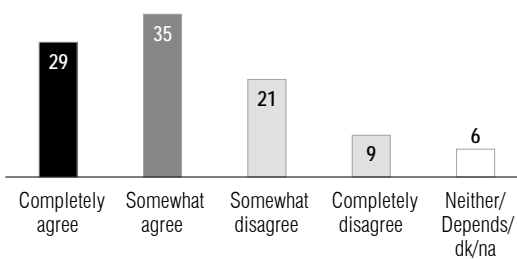
Do you think the Canada Revenue Agency is currently putting too much, too little or about the right amount of effort into reducing income tax cheating?

those most likely to say that the CRA is expending too little effort on this problem, followed by residents of PEI (39%) and Newfoundland/Labrador (39%). Residents of Saskatchewan (54%) and Nova Scotia (51%) are most supportive of the CRA's current level of effort. The view that the CRA is putting in the right amount of effort declines with age (largely because older Canadians are less likely to provide an opinion on the subject).

CRA knowledge of undeclared income. Canada's income tax system is based on a system of voluntary compliance. This type of system depends on the tax filer honestly and accurately declaring all earned income. Although errors and omissions do occur, a variety of compliance measures (including audits on a selected basis) are used after the taxpayer's return is filed.

Despite the belief that tax cheaters are more likely than not to be caught, Canadians are noticeably less confident about the CRA's ability to detect cash income that is not declared on income tax forms. More than six in ten completely (29%) or somewhat (35%) agree that "The Canada Revenue Agency would never know about income received in cash that is not declared on income tax forms," compared to three in ten who disagree (i.e. who believe the CRA would find out). Another six percent say it depends or do not provide an opinion.

Perception that the CRA would never know about undeclared cash income 2005



Q.28d

Please tell me whether you would completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following statements ... The Canada Revenue Agency would never know about income received in cash that is not declared on income tax forms.

As might be expected, agreement with this statement is most widespread among Canadians who think in general that it is unlikely that tax cheaters will get caught. Agreement is also higher among Quebecers (68%) and residents of Newfoundland/Labrador (70%), men (66%) and Canadians under 60 years of age (65%).

Perceptions of what constitutes cheating

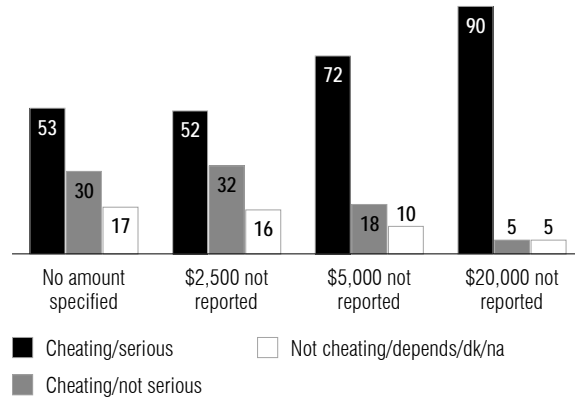
A clear majority of Canadians believe it is tax cheating not to declare income earned from weekend “moonlighting” work. The propensity to consider this as serious tax avoidance increases along with the amount of income that goes undeclared.

Another relevant aspect of public attitudes pertains to how Canadians define what constitutes tax cheating. This issue was addressed on the 2005 Annual Survey by presenting a specific situation and then probing into the extent to which taxpayers consider it to be cheating.

The specific situation was described as an individual who was employed full-time but who also worked “on the side” as a DJ on weekends and who did not report these weekend earnings on his or her tax return. More than eight in ten (83%) Canadians consider this behaviour to be cheating on one’s income taxes, with a majority (53%) labeling it as “serious” cheating. Another three in ten (30%) say this individual is cheating but do not consider it to be serious, while 17 percent maintain it is not cheating at all or cannot otherwise provide a definitive response to the question (e.g. depends or don’t know).

The view that this behaviour constitutes tax cheating is notably consistent across the country. Labelling it as “very” serious is most widespread in Manitoba (57%), Newfoundland/Labrador (59%) and New Brunswick (58%), as well as among older Canadians (63% among those 60 and older, compared with only 42% among those aged 18 to 29). As might be expected, this specific behaviour is also more likely to be considered serious cheating among Canadians who believe tax cheating is a major problem today (65%), and is one that is getting worse (57%). Notably, however, views on this question do not vary according to general attitude about the level of taxation in Canada today.

Is the described behaviour tax cheating? 2005



Q.23

Please tell me if you would consider the following situations to be cheating or not cheating on ones income taxes. Would you say that this type of cheating is “serious” or “not serious”? Someone employed full-time also works on the side as a DJ on weekends, but does not report these weekend earnings on his or her tax return ... What if this individual earns \$2,500 per year as a DJ that is not reported on his or her tax return ... What if this individual earns \$5,000 per year as a DJ that is not reported on his or her tax return ... What if this individual earns \$20,000 per year as a DJ that is not reported on his or her tax return?

This issue was probed further to determine if public perceptions of this specific behaviour are influenced by the dollar amount of income that goes unreported. When the undeclared amount earned as a DJ on weekends was specified to be \$2,500 per year, the results are essentially identical to what Canadians said when no specific amount was identified. In this scenario, 52 percent labelled the behaviour as very serious cheating, 32 percent say it is cheating but not serious, and 16 percent maintain it is not cheating at all.

But views on this scenario change significantly when the dollar amount goes up. Those who say this behaviour is not serious cheating at \$2,500 were then asked the question again with the amount earned set at \$5,000 per year. At this level, the overall proportion labeling this as serious cheating rises to 72 percent (a net increase of 20 percentage points), with only 10 percent now saying this behaviour does not constitute cheating at all. Finally, when the amount of income is raised to \$20,000, fully nine in ten (90%) of Canadians consider this behaviour to be serious tax cheating.

OBTAINING INFORMATION AND PAYING TAX BILLS

The final section of the survey focused on this year's "dynamic" topic, which addresses taxpayers' preferences with respect to how they obtain income tax-related information from the CRA.

Balance between traditional and electronic methods

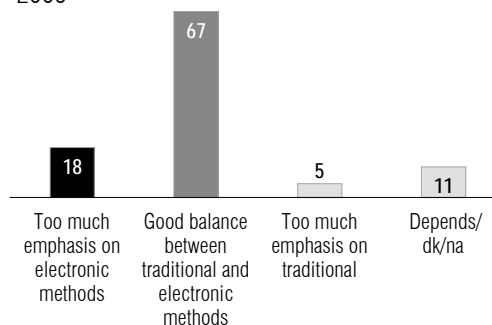
Two-thirds of Canadians believe the CRA currently offers a good balance between electronic and traditional methods of contacting the Agency for information. Most of the remainder feel there is too much emphasis on electronic methods, with few expressing the opposite view.

Since its inception, the federal government has interacted with taxpayers through the principal means of communication of the day, which for the most part has entailed the traditional methods of mail, telephone and in-person contact. As Internet and electronic communications technology have emerged over the past decade, the CRA has incorporated these methods as additional options for accessing a range of information and services, including filing of tax returns.

How do Canadians feel about the relative emphasis given to traditional versus electronic options now offered by the CRA in terms of contacting the Agency for information? A clear majority (67%) of those surveyed believe that the CRA provides a good balance between these two forms of contact. Of the remainder, a greater proportion thinks there is too much emphasis on electronic methods (18%) than on traditional methods (5%). Another one in ten (11%) say it depends or do not provide an opinion.

Endorsement of the Agency's current balance of traditional and electronic methods is the majority view across the country, but this view is somewhat less widespread in Quebec (59%) and New Brunswick (61%). In these

Perception of current CRA methods of contact 2005



Q.30

People can contact the Canada Revenue Agency for information in a number of ways, including traditional methods such as visiting their offices, by telephone and by mail; and also by newer electronic methods involving e-mail and the Internet. From what you know or have experienced, do you believe that the Canada Revenue Agency currently ... Puts too much emphasis on contact by traditional methods ... Puts too much emphasis on contact by electronic methods ... Provides a good balance between traditional and electronic methods of contact?

two provinces, along with Newfoundland/Labrador, at least one in five taxpayers say the Agency puts too much emphasis on electronic methods of contact, while Quebecers are also among those most likely to believe that too much emphasis is given to traditional methods (11%).

Language is an important factor in shaping taxpayers' opinions on this question: Satisfaction with the current balance is greatest among anglophones (69%), lower for francophones (61%) and lowest of all among allophones (53%). Approval of the CRA's current balance of contact methods is highest among those living in communities with between 100,000 and one million residents (71%), Canadians with a post-secondary education (69%) and those in the highest income bracket

(77%). Satisfaction with the current mix is also higher among those who filed their 2004 return electronically (70%) and among those who report a positive overall recent service experience with the CRA (75%).

No more than one in ten taxpayers from any identifiable group say there is too much emphasis on traditional methods of contact with the CRA, but this group is most likely to include those in the 18- to 29-year-old age cohort (8%), francophones (10%) and allophones (12%). Canadians who express the view that the CRA puts too much emphasis on electronic methods are most apt to be those without a university degree (21%), those with annual household incomes under \$80,000 per year (20%), and those who filed their 2004 return by mail (20%).

Preferences for obtaining information

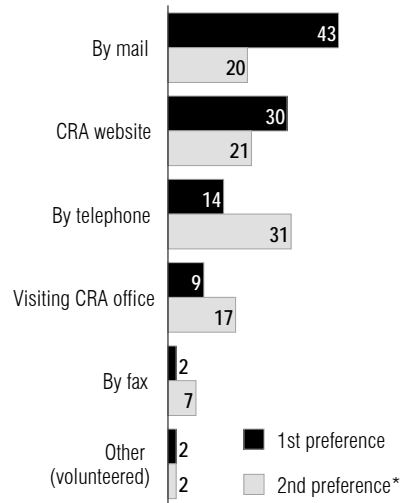
Canadians most prefer to obtain income tax-related information by mail or through the CRA website, followed by telephone contact. Mail is also the most preferred method for paying an income tax bill, although many also like doing this through their financial institution.

Survey respondents were asked about their preferred method of contacting the CRA for each of two specific purposes: To obtain income tax-related information (e.g. forms), and to pay an income tax bill. In each case, respondents were provided a list of four or five options and asked to indicate their first and second preferences.

Obtaining income tax-related information. Canadians are most likely to say they would prefer to get income tax-related information by mail (43%) or through the CRA website (30%). Relatively few identify the telephone (14%), in-person visits to a CRA tax office (9%) or by fax (2%) as their first choice for this purpose.

As a second choice, however, the telephone emerges as the next best option. Three in ten (31%) would choose getting such information by telephone if their first (non-telephone) option was not available. One in five specify either the CRA website (21%) or by mail (20%) as their second choice, while a slightly lower proportion (17%) pick visiting a CRA office.

Preferred method to obtain income tax-related information 2005



Q.31

Which of the following ways would you most prefer to obtain income tax-related information, including forms, from the Canada Revenue Agency ...? {If provided a preference: What would be your next most preferred method?}

* Subsample: Those with a first preference (n=3,960)

When first and second preferences are combined, the three top choices of mail (64%), the CRA website (50%) and telephone (45%) are all preferred by a substantial proportion of the taxpayer population, while significantly fewer would want to access this type of information through CRA tax office visits (26%) or by fax (9%).

Primary preferences for method of obtaining income tax-related information do not vary noticeably across provinces. Saskatchewan residents are most apt to prefer mail, British Columbians are keenest on the CRA website, while those in Quebec and the Atlantic provinces are more likely than others to identify the telephone. But such preferences are more substantially influenced by socio-demographic factors, in a largely predictable pattern. Access by mail is most popular among older, less educated and rural-based Canadians, as well as women, taxpayers who received help with their 2004 tax return and those who filed it by mail. Those expressing a preference for obtaining such information by telephone or through in-person visits tend to have a similar profile.

In contrast, preference for using the CRA website is most widespread among urban, younger, more highly educated and affluent taxpayers, as well as by men, allophones, those who completed their 2004 return on their own and those who filed it electronically. Comfort with accessing information through the website is lowest among residents of the Atlantic provinces, among Canadians 60 and older, and those without a high school diploma.

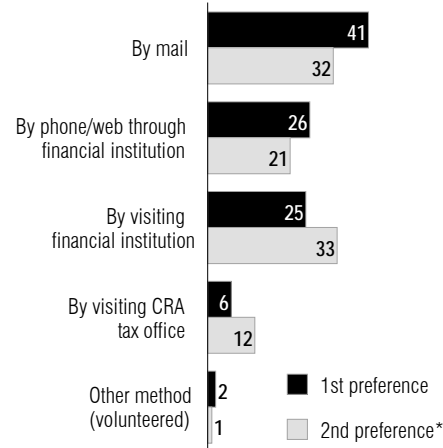
Paying an income tax bill. When it comes to paying an income tax bill, Canadians as a whole are most likely to say they would prefer to do this by mail (41%). Most of the remainder would choose first to pay this type of bill through their financial institution, either electronically (phone, web) (26%) or by visiting in person (25%). By comparison, very few (6%) would most want to do this by dropping off their payment at a CRA tax office.

When it comes to a second preference for method of paying a tax bill, Canadians are most apt to choose either visiting their financial institution (33%) or paying by mail (32%), followed by electronic payment through their financial institution (21%) or visiting a CRA tax office (12%).

When first and second preferences are combined, payment by mail is the clear favourite (72%) followed by paying at one's financial institution electronically (57%) or in person (45%). Payment in person at a CRA tax office is clearly the least preferred method of paying a tax bill (18%).

As with getting tax information, Canadians' preferences for how they pay their income tax bills varies noticeably across the population, and in similar ways. Those most likely to prefer paying by mail include older, rural and less educated individuals, as well as residents of Quebec and Saskatchewan. This preference is also strongest among those who filed their 2004 return by mail (although this percentage is only 56%, indicating that first preferences are not always the one used).

Preferred method to pay income tax bill 2005



Q.32

Which of the following ways would you most prefer to pay an income tax bill to the Canada Revenue Agency ...? {If provided a preference: What would be your next most preferred method?}

** Subsample: Those with a first preference (n=3,831)*

Preference for paying income tax bills electronically (phone, web) through one's financial institution is most common among younger Canadians, those with more education and income, as well as allophones. This group is most likely to have filed their 2004 return electronically.

The group expressing a preference for in-person payment at financial institutions is less easy to pinpoint, but these taxpayers are more likely to live in B.C. or New Brunswick, and have lower household incomes. First preference to pay at a CRA tax office is most apt to be mentioned by residents of New Brunswick, PEI and Newfoundland/Labrador, among Canadians with less education, and those who filed their 2004 return by some method other than mail or electronic (e.g. in person).

DRIVERS OF OVERALL PERFORMANCE

Introduction

The perception of overall CRA performance question (Question 6 on the survey) is of particular importance because it provides the Agency with a critical indicator of success in building and maintaining a positive corporate image among Canadians. It is therefore important to understand what factors most heavily influence or “drive” this general opinion of the CRA, particularly those factors that the Agency can influence in some way (e.g. it is possible for the CRA to strengthen public impressions of its operations as efficient, but cannot have any impact on taxpayers’ age or their views about the current level of taxation).

Analysis of Question 6 data by identifiable subgroups of the population is a valuable means of identifying such factors, and some have emerged from the data as have been presented earlier in the report. But this level of analysis only tells part of the story because some of the factors measured in the survey are in fact closely related to one another, making it difficult to determine which of them are really the one(s) making a difference. For instance, agreement with the statements “*CRA operates in an efficient manner*” and “*CRA treats taxpayers with respect*” are both strongly associated with ratings of overall corporate performance, but respondents who agree with one are generally likely to agree with the other, and it is unclear which makes a greater difference in “driving” the overall performance ratings.

This problem can be effectively addressed using a statistical technique known as “driver analysis” through which the influence of various factors (e.g. demographics, opinions about CRA services) can be tested as a group to determine the importance of each one in relation to all of the others being considered, in terms of their association with the key outcome variable (in this case overall CRA performance).

In this study, a comprehensive driver analysis was conducted by Environics to identify those factors (drawn from questions in the survey) that best predict Canadians’ perception of overall CRA performance (Question 6). The results of this analysis are presented in the following paragraphs.

Results of the analysis

The analysis was conducted in two steps, first with the full sample of survey respondents (i.e. including those questions asked of all respondents), and second with the subset of respondents who have had the most contact with the CRA over the past year.

Step 1 – Full sample. The first analysis was conducted with the full sample, including those respondents who provided a substantive response or opinion to each of 24 relevant questions, which yielded a total of 2,834 cases (respondents were excluded if they offered a “don’t know/no opinion” response or “refused” any of these 24 questions). Included were questions addressing CRA values, attitudes about tax cheating, general opinions about the federal government and taxation levels, method of contact with the CRA and demographics.

When all of these questions are entered into the driver model, they collectively explain or predict one-third (32%) of the results, or “variance” in Canadians’ perception of overall CRA performance. This is a strong result for this type of social science data, and indicates a solid (robust) model of drivers.

Since the overall goal is to isolate those that the CRA may want to focus over the coming year, of most importance is which of the variables are the strongest predictors of overall performance. Among the full set of variables included in the model, nine emerge as statistically significant predictors of overall performance and these are listed in order of predictive power in the table below:

In terms of interpreting the results from Table 1, the key statistic are the “beta weights,” which is a statistical measure of the degree to which each factor predicts the outcome measure (in this case overall CRA performance). The value of the beta weight is in direct proportion to the factor’s predictive power, so for instance, language (being an allophone) with a beta weight of .20 is twice as powerful in predicting overall CRA performance as agreement that the CRA is honest in dealing with taxpayers (with a beta weight of .10).

The results of this analysis show that three types of factors are “driving” Canadians’ overall opinion of the CRA: Agreement that CRA operates according to its corporate values (5 of the 7 tested are relevant), general attitudes about the federal government and taxation levels, and two demographic characteristics (language and community size). The latter two groups represent factors over which the CRA has no control; these are important to understand as key drivers of overall opinions but there is little that the Agency can do to influence these over the short or long term.

This leaves CRA values, which are also the most significant ones in the model (especially the value pertaining to efficiency). These represent the factors that the Agency can clearly influence through its policies, programs and communications, and is where it may choose to focus its efforts over the coming year in terms of strengthening its corporate image with Canadians. Based on the results of this model, as the CRA strengthens its public image as an efficiently-run operation, its overall public image will also improve.

Drivers of overall CRA performance

TABLE 1 Full sample

PREDICTOR VARIABLE	BETA WEIGHT ¹	ZERO-ORDER CORRELATION ²
1. Agree that CRA operates in an efficient manner (Q.8g)	.25	.45
2. Allophone (mother tongue is neither English/French) (Q.37)	.20	.16
3. Positive overall performance of the federal government (Q.1)	.15	.36
4. Agree CRA is honest in dealing with taxpayers (Q.8b)	.10	.35
5. Agree CRA treats taxpayers fairly (Q.8e)	.09	.37
6. Agree CRA treats taxpayers with respect (Q.8d)	.06	.38
7. Agree CRA staff are professional in dealing with taxpayers (Q.8c)	.06	.37
8. Level of taxes Canadians pay is too high (Q.29)	.06	.23
9. Community size is larger (Q43)	.05	.15

1 Beta weight is a statistical measure of the relative predictive power of the predictor variable in explaining variance in the outcome measure (Q.6 overall CRA performance), within the overall model. The higher the value the stronger the influence.

2 Zero-order correlation is a measure of the strength of association between the specific predictor variable and the outcome measure. The range of possible values is +1.0 to -1.0. A value of “1.0” represents a complete correspondence (the two variables are measuring the same thing; a value of “0” represents no relationship whatsoever. All of the correlations in this table are statistically significant to the p. <.001 level.

Step 2 – Subsample with the most CRA contact.

The analysis presented previously identifies the factors that are most likely to influence taxpayers' overall opinion of the CRA, based on the entire population. But are the same factors equally at play among those taxpayers who have had recent contact or dealings with the Agency?

To answer this question, the analysis was repeated with the subsample of respondents who have had direct contact with the CRA over the past 12 months, including questions about experience with filing a 2004 personal income tax return, contacting the CRA directly for information or to receive a service, and general opinions about CRA service, including comparisons with other institutions. This sample totals 652, which is substantially smaller than the Step 1 model (because not everyone had such contact), but is large enough to provide results accurate for the national population.

The Step 2 model provides a modestly stronger predictive power than the Step 1 model, explaining 37 percent of the variance in overall CRA performance. The

list of statistically significant predictors in this model (presented in Table 2) is somewhat different than in Step 1, although there is overlap.

The results of this model suggest that, among taxpayers who have direct contact with the CRA, efficiency of operation continues to be the single most important factor influencing their overall performance ratings of the CRA. But, unlike those who have not had such contact, timeliness of service and confidence in confidential treatment of personal information are also important drivers of performance ratings. Other value statements (e.g. fairness, professionalism) also appear in this model, but language and community size disappear, to be replaced by household income and gender.

Based on these results, the CRA can most effectively improve its corporate image among contacting taxpayers by focusing on strengthening perceptions of the Agency as timely and protective of personal confidential information, along with running an efficient operation.

Drivers of overall CRA performance

TABLE 2 Subsample of taxpayers with direct CRA contact in past 12 months

PREDICTOR VARIABLE	BETA WEIGHT ¹	ZERO-ORDER CORRELATION ²
1. Agree that CRA operates in an efficient manner (Q.8g)	.25	.45
2. Satisfaction with timeliness of CRA service (Q.18b)	.12	.27
3. Agree CRA treats taxpayer information with confidentiality (Q.8a)	.12	.32
4. Positive overall performance of the federal government (Q.1)	.11	.36
5. Higher annual household income (Q.38)	.11	.09
6. Agree CRA staff are professional in dealing with taxpayers (Q.8c)	.09	.37
7. Agree CRA treats taxpayers fairly (Q.8e)	.09	.37
8. Received assistance in completing 2004 return (Q.10)	.09	.14
9. CRA provides better service than financial institutions (Q.22a)	.08	.32
10. Agree cheating reduces money for important services (Q.28c)	.08	.08
11 Gender – respondent is female (Q40)	.08	.15

1 Beta weight is a statistical measure of the relative predictive power of the predictor variable in explaining variance in the outcome measure (Q.6 overall CRA performance), within the overall model. The higher the value the stronger the influence.

2 Zero-order correlation is a measure of the strength of association between the specific predictor variable and the outcome measure. The range of possible values is +1.0 to -1.0. A value of "1.0" represents a complete correspondence (the two variables are measuring the same thing; a value of "0" represents no relationship whatsoever. All of the correlations in this table are statistically significant to the p. <.001 level.

SURVEY METHODOLOGY

The results of the survey are based on questions asked to 4,000 residents of Canada aged 18 or older by telephone from June 16 to July 7, 2005. The margin of error for a sample of 4,000 is ± 1.5 percentage points, 19 times in 20. The margin of error is greater for results pertaining to regional or socio-demographic subgroups of the total sample.

Questionnaire design

The questionnaire used for this study was developed by Environics through a multi-phase process, in close consultation with the CRA. A complete report on the first two phases of this process is documented under separate cover (*Design of the New CRA Annual Survey – 2005*, March 31, 2005). The design process entailed three distinct phases:

Phase 1 – Qualitative context testing. The first phase consisted of qualitative research intended to gain insight into taxpayers'/Canadians' experiences and perceptions of the CRA from their own perspective. The purpose of the initial qualitative phase is exploration among tax-paying Canadians to gain insight into their experience and expectations as they think about the CRA – in short, to understand the CRA within the context of the participants' own experience and expectations rather than from the Agency's perspective.

A qualitative group method for "context testing" called the "Intensive/Interaction Workshop Groups" was employed, in place of conventional focus groups, to probe deeply into the key issues from the public's perspective, to ensure these are effectively incorporated. This innovative method (developed by Environics' senior qualitative specialist, Sally Preiner) allows observers to clearly identify sub-segments within each group so

that special issues that may be important to specific types of taxpayers (e.g. by gender, family composition, experience with the CRA) can be observed.

The design of the qualitative research, including group composition, location and lines of inquiry were developed by Environics, in close consultation with CRA officials. As part of this design process, Environics facilitated a workshop with an internal CRA working group to obtain input from different parts of the Agency on relevant areas of inquiry to be explored in the groups.

Eight focus groups were conducted between January 21 and February 2, 2005, with two groups held in each of the following locations: St. John's, Quebec City, Edmonton, and Toronto. (the Quebec City groups were conducted in French, the remainder in English). Each group included between six and eight participants, who were recruited from the general population of their metropolitan area based on gender, household income, and prior experience with the CRA in the previous two years.

Phase 2 – Questionnaire design. Based on the results of the Phase 1 research, Environics designed a new Annual Survey questionnaire "from scratch." The questionnaire was designed by Environics' senior research methodologist, Dr. Keith Neuman, according to state-of-the-art knowledge and best practices covering question wording and scale construction. Consideration was given to how the data collected might best be ordered and analyzed. The draft questionnaire was thoroughly reviewed by the CRA, and revised to ensure the focus and content was consistent with the Agency's current priorities.

The questionnaire was pre-tested (in English and French) on a sample of 40 “live” respondents prior to being finalized, using the same methodology that is to be used for the final survey. This is standard practice for any survey of this type, but is particularly critical when launching a new tracking survey intended to be repeated over a number of years. This pre-test was used to evaluate the performance of the questionnaire as designed, and to assess it in terms of:

- Appropriateness of topic and question sequencing;
- Effectiveness of question wording (i.e. Does it sound the way it was intended?);
- Respondent sensitivity or reaction to specific questions or language;
- General respondent reaction to the survey (comfort level, degree of interest, degree of openness in providing requested information); and
- Overall interview length (within context of the budgeted length).

The results of the pre-test were successful, but resulted in deletion of some questions (due to interview length) and modifications to other questions.

Phase 3 – Final pre-testing. Prior to launching the 2005 Annual Survey, the questionnaire developed in Phase 2 underwent further pre-testing using both qualitative and quantitative techniques. The qualitative testing involved focus groups with taxpayers in Toronto and Montreal (two groups in each location) in early June 2005. The purpose of these sessions was to present the questionnaire (question by question) to taxpayers to get their reaction in terms of comprehension, range of likely responses and comfort level.

Following these groups, the questionnaire was then pre-tested a second time by telephone (in English and French) with 40 taxpayers, using the same approach as the first pre-test conducted at the conclusion of Phase 2. Following this pre-testing, final adjustments were made to the questionnaire as directed by the CRA.

Sample selection

The sampling method was designed to complete approximately 4,000 interviews with Canadians (over 18 years of age) living within households randomly selected across the 10 provinces. Quotas disproportionate to the provincial populations were used to allocate interviews, in order to ensure robust sample sizes for all provinces. The final sample is distributed as follows.

	N UNWEIGHTED	N WEIGHTED	MARGIN OF ERROR (%)
Newfoundland	300	69	5.7
Prince Edward Island	300	19	5.7
Nova Scotia	300	123	5.7
New Brunswick	300	99	5.7
Quebec	600	965	4.0
Ontario	900	1,525	3.3
Manitoba	300	149	5.7
Saskatchewan	300	131	5.7
Alberta	350	397	5.2
British Columbia	350	523	5.2
CANADA	4,000	4,000	1.5

Environics uses a sampling method in which sample is generated using the RDD (random digit dialling) technique. Samples are generated using a database of active phone ranges. These ranges are made up of a series of contiguous blocks of 100 contiguous phone numbers and are revised three to four times per year after a thorough analysis of the most recent edition of an electronic phonebook. Each number generated is put through an appropriate series of validation procedures before it is retained as part of a sample. Each number generated is looked up in a recent electronic phonebook database to retrieve geographic location, business indicator and “do not call” status.

The postal code for listed numbers is verified for accuracy and compared against a list of valid codes for the sample stratum. Non-listed numbers are assigned a “most probable” postal code based on the data available for all listed numbers in the phone exchange. This technique ensures both unlisted numbers and numbers listed after the directory publication are included in the sample.

From within each multi-person household contacted, respondents 18 years of age and older were screened for random selection using the “most recent birthday” method. The use of this technique produces results that are as valid and effective as enumerating all persons within a household and selecting one randomly. In the data analysis, the sample was weighted by region based on population data to reflect the actual proportions of each region. The sample was also weighted by age and gender to reflect proportions found in the general population.

Survey administration

Fieldwork was conducted at Environics’ central facilities in Toronto and Montreal. Field supervisors were present at all times to ensure accurate interviewing and recording of responses. Ten percent of each interviewer’s work was unobtrusively monitored for quality control in accordance with the standards set out by the Canadian Association of Marketing Research Organizations – CAMRO (now the Marketing Research and Intelligence Association – MRIA). A minimum of eight calls were made to a household before classifying it as a “no answer.” The average length of time to complete a survey interview was 18 minutes.

Completion results

The sample for this survey consisted of 4,000 interviews completed among adult Canadians. The effective response rate for the survey is 15 percent: This is calculated as the number of completed interviews (4,000) divided by the total dialled sample (36,885) minus the non-valid/non-residential numbers, the numbers not in service, and the numbers that presented a language barrier (9,679) (F/C in the table below) The completion rate for the survey is 22 percent, calculated as the number of completed interviews (4,000) divided by the number of qualified respondents contacted directly (18,178) (F/C-D).³

Completion Results

	N	%
A. Total sample dialled	36,885	100
Non-residential/not in service	8,890	24
Language barrier	789	2
B. Subtotal	9,679	26
C. New base (A – B)	27,206	100
D. No answer/line busy/not available	9,028	33
Refusals	13,939	51
Mid-interview refusals	239	1
E. Subtotal	23,206	85
F. Net Completions (C – E)	4,000	15
Completion rate (F / [C – D])		22

Note: totals may not sum to 100 due to rounding.

³ Response and completion rates are based on the standard defined by the Canadian Association of Marketing Research Organizations (CAMRO), which has recently been amalgamated into the Marketing Research and Intelligence Association (MRIA).

Sample profile

The following table presents a profile of the final weighted and unweighted sample and how it compares to the Canadian population (18 years plus) on measured regional and demographic characteristics, based on the most recent (2001) census.

CHARACTERISTICS	SAMPLE SIZE	UNWEIGHTED SAMPLE %	WEIGHTED SAMPLE %	2001 CENSUS %
Province				
British Columbia	350	9	13	13
Alberta	350	9	10	10
Saskatchewan	300	8	3	3
Manitoba	300	8	4	4
Ontario	900	23	38	38
Quebec	600	15	24	24
Newfoundland and Labrador	300	8	2	2
Nova Scotia	300	8	3	3
New Brunswick	300	8	3	3
Prince Edward Island	300	8	1	*
Community size				
1 million plus	822	21	33	33 ¹
100,000 to 1 million	997	25	25	25 ¹
5,000 to 99,999	1,042	26	11	20 ¹
Less than 5,000	1,139	29	22	21 ¹
Gender				
Male	1,983	50	48	48
Female	2,017	50	52	52
Age group				
18-29 years	672	17	20	20
30-44 years	1,221	31	31	31
45-59 years	1,183	30	26	26
60 years plus	860	22	23	22
Language (most spoken at home)				
English	3,156	79	71	67 ²
French	632	16	22	22 ²
Other	182	5	6	11 ²

* Fewer than one percent

1 Canadians of all ages excluding Northwest Territories, Yukon and Nunavut 2001

2 Canadians of all ages 2001

Continued

CHARACTERISTICS	SAMPLE SIZE	UNWEIGHTED SAMPLE %	WEIGHTED SAMPLE %	2001 CENSUS %
Education level				
Less than high school	476	12	11	31 ⁴
High school graduate	712	18	18	14 ⁴
College/Some university	1,536	38	38	36 ⁴
University degree	1,235	31	33	15 ⁴
Household income				
Under \$20,000	494	12	14	19 ³
\$20,000 to \$40,000	871	22	25	24 ³
\$40,000 to \$80,000	1,312	33	37	35 ³
\$80,000 and over	803	20	23	23 ³
Immigrant population (place of birth)				
Canada	3,426	86	81	81 ⁴
Europe/USA	274	7	8	9 ⁴
Other	276	7	10	10 ⁴

³ Based on total private households 2001

⁴ Population aged 15 years and older 2001

APPENDIX: QUESTIONNAIRE

**Canada Revenue Agency
2005 Annual Survey**

**FINAL (A4a) Questionnaire
(Launch Version)**

Introduction

Good afternoon/evening. My name is _____ and I am calling from Environics Research Group, a public opinion research company. Today we are conducting a study on behalf of the Government of Canada. Please be assured that we are not selling or soliciting anything. This survey is registered with the national survey registration system.

IF ASKED: The survey will take about 15 minutes to complete
IF ASKED: I can tell you at the end who sponsored this survey

IF ASKED: The registration system has been created by the Canadian survey research industry to allow the public to verify that a survey is legitimate, get information about the survey industry or register a complaint. The registration systems toll-free telephone number is 1-800-554-9996.

We choose telephone numbers at random and then select one person from each household to be interviewed. To do this, we would like to speak to the person in your household, 18 years of age or older, who has had the most recent birthday. Would that be you?

IF PERSON SELECTED IS NOT AVAILABLE, ARRANGE FOR CALL-BACK
IF PERSON SELECTED IS NOT AVAILABLE OVER INTERVIEW PERIOD, ASK FOR PERSON WITH NEXT MOST RECENT BIRTHDAY

CONFIRM WHETHER RESPONDENT WOULD LIKE TO BE INTERVIEWED IN ENGLISH OR FRENCH

A. Awareness and Knowledge of CRA

I would like to start with a general question

1. How would you rate the overall performance of the Government of Canada? Would you say it is...?

- 01 – Very poor
- 02 – Poor
- 03 – Acceptable
- 04 – Good, or
- 05 – Excellent
- VOLUNTEERED
- 99 – DK/NA

2. Please tell me, from what you know or have heard, what is the name of the part of the federal government that is responsible for collecting income taxes?

DO NOT READ – CODE ONE ONLY

- 01 – Canada Revenue Agency SKIP TO Q.5
- 02 - CRA - ASK WHAT THIS ACRONYM STANDS FOR
- 03 – Revenue Canada
- 04 – Canada Customs and Revenue Agency
- 05 – CCRA – ASK WHAT THIS ACRONYM STANDS FOR
- 06 - Customs and Excise
- 07 – Statistics Canada
- 08 – Department of Revenue and Taxation
- 09 – Receiver General
- 10 – Ministry of Revenue
- 98 – Other (SPECIFY _____)
- 99 – DK/NA

3. Have you ever heard about an organization called the “Canada Revenue Agency”?

- 01 – Yes SKIP TO Q.5
- 02 – No
- 99 – DK/NA

4. (IF NO/DK TO Q.3) Have you ever heard about an organization called “Revenue Canada”?

- 01 – Yes
- 02 – No SKIP TO Q.6
- 99 – DK/NA SKIP TO Q.6

5. (IF IDENTIFIES CRA IN Q.2 OR YES TO Q.3 OR Q.4) From what you know or have heard, what is [READ ONLY THE RESPONSE FROM Q2, 3 or 4: the Canada Revenue Agency/Revenue Canada] responsible for? That is, what are its main responsibilities?

DO NOT READ – CODE ALL THAT APPLY: PROBE: Anything else?

- 01 – Collect taxes
- 02 – Collects income taxes
- 03 – Collects sales taxes
- 04 – Canada Child Tax Benefits
- 05 – GST/HST (Goods and Services Tax/Harmonized Sales Tax/GST tax credit)
- 06 – Audit tax returns
- 07 – Catches/cracks down on tax cheating
- 08 – Customs taxes/duties
- 09 – Social benefits programs
- 10 – Manages government tax dollars/budget
- 11 – Decides how tax dollars are spent
- 12 – Helps citizens/businesses with taxes/tax returns
- 13 – Determines tax rates/how much to charge
- 98 – Other (SPECIFY _____)
- 99 – DK/NA

B. Overall Perceptions of CRA

6. The Canada Revenue Agency, formerly known as Revenue Canada, is an agency of the federal government responsible for such things as:

[B.C. TO ONTARIO: the collection of income tax, administration of the GST (or Goods and Services Tax), and the Canada Child Tax Benefit Program]

[QUEBEC ONLY: the collection of federal income tax and the Canada Child Tax Benefit Program]

[IN ATLANTIC PROVINCES: the collection of federal income tax, administration of the GST/HST, and the Canada Child Tax Benefit Program]

How would you rate the overall performance of the Canada Revenue Agency? Would you say it is...?

01 – Very poor

02 – Poor

03 – Acceptable

04 – Good, or

05 – Excellent

VOLUNTEERED

99 – DK/NA

SKIP TO Q.8

7. Why do you rate the performance of the Canada Revenue Agency to be [QUESTION 6 RESPONSE]? DO NOT READ – CODE ALL THAT APPLY; PROBE: Anything else?

a. Why Very poor/Poor

01 – Tax levels are too high

02 – Oppose GST

03 – Too heavy-handed with taxpayers

04 – Difficult to contact/hard to reach

05 – Tax forms/returns difficult to do

06 – Staff/employees are not helpful

07 – Negative experience with CRA/Revenue Canada

98 – Other (SPECIFY _____)

99 – DK/NA

b. Why Acceptable

01 – Heard nothing bad

02 – No strong opinion either way

03 – Does an OK job

04 – Better than they used to be

05 – Could be better/like to see improvements

06 – Does about as well as to be expected

07 – No problems with CRA/no problems with taxes

08 – CRA is aggressive in collecting taxes

09 – Have to pay taxes every year/taxes are too high

98 – Other (SPECIFY _____)

99 – DK/NA

c. Why Good/Excellent

01 – Plays an important role/collecting taxes is important

02 – Taxes are important/must be collected

03 – Does a good job/efficient

04 – Professional

05 – Staff/employees do a good job

06 – Makes sure taxpayers don't cheat

98 – Other (SPECIFY _____)

99 – DK/NA

8. I would now like to read you a few statements about the Canada Revenue Agency, or CRA. Please tell me whether you completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following:
READ AND ROTATE – ALWAYS ASK g IN THE LAST THIRD OF THE ROTATION– REPEAT SCALE AS NEEDED

IF ASKED: We are asking for your opinion based on your general impressions of the CRA, whether from personal experience, what you have heard or what you imagine the Agency to be like

- a. The Canada Revenue Agency treats taxpayer information with complete confidentiality
- b. The Canada Revenue Agency is honest in dealing with taxpayers
- c. The Canada Revenue Agency staff are professional in the way they deal with taxpayers
- d. The Canada Revenue Agency treats taxpayers with respect
- e. The Canada Revenue Agency treats taxpayers fairly
- f. The Canada Revenue Agency appreciates that taxpayers are sometimes confronted with unusually difficult circumstances, such as illness or a death in the family
- g. The Canada Revenue Agency is efficient in its operations

- 01 – Completely agree
- 02 – Somewhat agree
- 04 – Somewhat disagree
- 05 – Completely disagree
- VOLUNTEERED
- 03 – Neither agree/disagree
- 98 – Depends
- 99 – DK/NA

C. Experience with CRA – Income Tax Filing

I would now like to ask you about your experiences as a taxpayer . . .

9. Have you sent in your personal [QUEBEC ONLY: federal] income tax return for 2004?
IF ASKED: This would be the tax return you filed this year for the income you earned in 2004.

- 01 – Yes
- 02 – No SKIP TO Q.16
- 99 – DK/NA SKIP TO Q.16

10. (IF YES TO Q.9) Did you complete your tax return on your own, or did you get help from someone else?
NOTE TO INTERVIEWER: USING TAX SOFTWARE DOES NOT COUNT AS RECEIVING HELP

- 01 – Completed on your own SKIP TO Q.12
- 02 – Received help
- 99 – DK/NA SKIP TO Q.12

11. (IF 02 in Q.10) From whom did you get help?
READ CATEGORIES ONLY IF NECESSARY – CODE MORE THAN ONE IF VOLUNTEERED; RECEIVING
ADVICE SHOULD BE INCLUDED

01 – Friend/family member
02 – Professional tax preparer/accountant (INTERVIEWER- INCLUDES H&R BLOCK-TYPE COMPANIES)
03 – Canada Revenue Agency/Revenue Canada
04 – Volunteer program to help people with their tax returns
98 – Other (SPECIFY _____)
99 – DK/NA

12. (IF YES TO Q.9) Did you file your tax return this year:
READ IN SEQUENCE – CODE ONE ONLY;
IF FILED BY SOMEONE ELSE, ASK FOR METHOD BY WHICH THAT INDIVIDUAL/TAX PREPARER
FILED THEIR TAX RETURN

01 – By mail
02 – Electronically or online, (INTERVIEWER: INCLUDES Efile and Netfile)
03 – By telephone, or (INTERVIEWER: INCLUDES Telefile)
04 – Dropping it off at a tax service office
VOLUNTEERED
98 – Other (SPECIFY _____)
99 – DK/NA

13. Which one of the following words best describes how you felt upon completing your income tax return this
year? Did this experience leave you feeling:
READ AND ROTATE – CODE ONE ONLY; IF MORE THAN ONE VOLUNTEERED, ASK FOR
STRONGEST FEELING

01 – Frustrated
02 – Anxious
03 – Angry
04 – Indifferent
05 – Relieved
VOLUNTEERED
98 – Other (SPECIFY _____)
99 – DK/NA

14. Have you received your tax refund and/or Notice of Assessment back from the Canada Revenue Agency?
IF ASKED: Notice of Assessment is the form taxpayers receive that confirms how much tax they owe, and is
included with a refund if one is due

01 – Yes
02 – No SKIP TO Q.16
99 – DK/NA SKIP TO Q.16

15. (IF YES TO Q.14) Did your taxes for this year turn out as you expected? That is, did you end up paying
about the amount of tax for 2004 that you expected you would have to pay, prior to filling out your return?

01 – Yes
02 – No
99 – DK/NA

D. Direct Experience with CRA – Contact/Dealings

16. When was the last time you personally contacted the Canada Revenue Agency by phone, by fax, by e-mail or in person, in which you dealt directly with a CRA staff person in order to get information or receive a service? Was it in:

- 01 – Past 3 months
 - 02 – Past 4 to 6 months
 - 03 – Past 7 to 12 months
 - 04 – More than 1 year ago, or
 - 05 – Never
 - VOLUNTEERED
 - 98 – Other (SPECIFY _____)
 - 99 – DK/NA
- SKIP TO Q.21
SKIP TO Q.23
SKIP TO Q.21
SKIP TO Q.23

17. (ASK IF Q.16 is 01-03) Was this most recent contact with CRA concerning your personal income tax, business taxes, a GST issue, or for some other reason?
READ CATEGORIES IF NECESSARY – CODE MORE THAN ONE IF APPLICABLE TO MOST RECENT CONTACT

- 01 – Personal income tax
- 02 – Business income tax
- 03 – Estate/other tax issue
- 04 – GST/HST issue
- 05 – Child Tax Benefit Program
- 98 – Other (SPECIFY _____)
- 99 - DK/NA

[CMT Core Question]

18a. How satisfied were you with the overall quality of the service you received when you contacted the Canada Revenue Agency on this most recent occasion, with “1” meaning “very dissatisfied” and “5” meaning “very satisfied”?

- 01 – Very dissatisfied
- 02 –
- 03 –
- 04 –
- 05 – Very satisfied
- VOLUNTEERED
- 99 – DK/NA

[CMT Core Question]

18b. And how satisfied are you with the amount of time it took to get the service during this most recent contact with CRA?
REPEAT SCALE IF NECESSARY

- 01 – Very dissatisfied
- 02 –
- 03 –
- 04 –
- 05 – Very satisfied
- VOLUNTEERED
- 99 – DK/NA

[CMT Core Questions]

19. I would now like to ask about the service you received from the Canada Revenue Agency on this most recent occasion. Please tell me whether you completely agree, somewhat agree, somewhat disagree or strongly disagree with each of the following statements?:

READ AND ROTATE

- a. You were able to get through to a Canada Revenue Agency staff person without difficulty
- b. Canada Revenue Agency staff were knowledgeable and competent
- c. You were treated fairly
- d. Canada Revenue Agency staff went the extra mile to make sure you got what you needed

01 – Completely agree

02 – Somewhat agree

04 – Somewhat disagree

05 – Completely disagree

VOLUNTEERED

03 – Neither agree/disagree

98 – Depends

99 – DK/NA

[CMT Core Question]

20. In the end did you get what you needed from the Canada Revenue Agency on this particular occasion?

01 – Yes

02 – No

99 – DK/NA

Now I would like to ask you more generally about your direct experience with CRA over the past few years . .

21. Please tell me whether you completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following statements?

READ AND ROTATE – REPEAT SCALE AS NEEDED

- a. The Canada Revenue Agency treats taxpayers as honest unless there is evidence to the contrary
- b. You are able to get service in the official language of your choice; that is, English or French
- c. The information provided by the Canada Revenue Agency is easy to understand
- d. The information provided by the Canada Revenue Agency is accurate

01 – Completely agree

02 – Somewhat agree

04 – Somewhat disagree

05 – Completely disagree

VOLUNTEERED

03 – Neither agree/disagree

98 – Depends

99 – DK/NA

22. Based on your experience, would you say the level of customer service provided by the Canada Revenue Agency is better, about the same or worse than the service you might receive from:

READ AND ROTATE

- a. Financial institutions with which you currently do business [INTERVIEWER: INCLUDES ALL TYPES, SUCH AS BANKS, CREDIT UNIONS]
- b. Other federal government agencies and departments you have dealt with

01 – Better
02 – About the same
03 – Worse
VOLUNTEERED
04 – Depends
99 – DK/NA

E. Compliance and Tax Cheating

The next few questions cover issues related to cheating on income taxes. Nothing in this section is about you personally, but we are interested in getting people's opinion on this topic.

INTERVIEWER NOTE – IF ASKED, CLARIFY THAT THE QUESTIONS ARE ABOUT PERSONAL TAXES ONLY

23. Please tell me if you would consider the following situations to be cheating or not cheating on ones income taxes:

READ IN SEQUENCE; IF SAY CHEATING PROBE: Would you say that this type of cheating is “serious” or “not serious”?

FOR ITEMS B-D: IF SAY “CHEATING IS SERIOUS, SKIP TO Q.24

- a. Someone employed full time also works on the side as a DJ on weekends, but does not report these weekend earnings on his or her tax return.
- b. What if this individual earns \$2,500 per year as a DJ that is not reported on his or her tax return?
- c. What if this individual earns \$5,000 per year as a DJ that is not reported on his or her tax return?
- d. What if this individual earns \$20,000 per year as a DJ that is not reported on his or her tax return?

01 – Cheating - serious
02 – Cheating – not serious
03 – Not cheating
VOLUNTEERED
05 – Depends
99 – DK/NA

24. In your view, do you think that income tax cheating in Canada today is:

READ

01 – A major problem
02 – A moderate problem
03 – A minor problem, or
04 – Not a problem at all
VOLUNTEERED
05 - Depends
99 – DK/NA

25. Over the past couple of years, do you think income tax cheating has become::

READ

- 01 – More of a problem
- 02 – Less of a problem, or
- 03 – Has remained about the same
- VOLUNTEERED
- 04 – Never has been a problem
- 05 – Depends
- 99 – DK/NA

26. How likely do you think it is for Canadians who cheat on their income taxes to get caught? Would you say this is:

READ

- 01 – Very likely
- 02 – Somewhat likely
- 03 – Not very likely, or
- 04 – Not at all likely
- VOLUNTEERED
- 05 – Depends
- 99 – DK/NA

27. Do you think the Canada Revenue Agency is currently putting too much, too little, or about the right amount of effort into reducing income tax cheating?

- 01 – Too much effort
- 02 – Too little effort
- 03 – About the right amount of effort
- VOLUNTEERED
- 04 – Depends (e.g. on business vs. personal taxpayers)
- 99 – DK/NA

28. Please tell me whether you would completely agree, somewhat agree, somewhat disagree or completely disagree with each of the following statements:

READ AND ROTATE – REPEAT SCALE AS NEEDED

- a. Given the opportunity, most people would hide income to avoid paying taxes
- b. It's OK for people not to declare income received in cash
- c. When people cheat on their income taxes, it reduces the money available for essential services such as health and education
- d. The Canada Revenue Agency would never know about income received in cash that is not declared on income tax forms

- 01 – Completely agree
- 02 – Somewhat agree
- 04 – Somewhat disagree
- 05 – Completely disagree
- VOLUNTEERED
- 03 – Neither agree/disagree
- 98 – Depends
- 99 – DK/NA

29. Thinking about the level of taxes that Canadians as a whole pay, compared to the services that are provided by governments, do you feel that Canadians pay too much, about the right amount, or too little in taxes?
IF TOO MUCH, PROBE: Do you think Canadians pay “significantly” too much, or “somewhat” too much in tax?

01 - Too much – Significantly
02 – Too much - Somewhat
03 - About the right amount
04 - Too little
VOLUNTEERED
99 - DK/NA

F. Method of Contact with CRA

Now moving to another topic ...

30. People can contact the Canada Revenue Agency for information in a number of ways, including traditional methods such as visiting their offices, by telephone and by mail; and also by newer electronic methods involving e-mail and the Internet. From what you know or have experienced, do you believe that the Canada Revenue Agency currently:

READ AND ROTATE FIRST TWO RESPONSES; ALWAYS READ 03 LAST

01 – Puts too much emphasis on contact by traditional methods
02 – Puts too much emphasis on contact by electronic methods, or
03 – Provides a good balance between traditional and electronic methods of contact
VOLUNTEERED
04 – Depends
99 – DK/NA

31. Which of the following ways would you most prefer to obtain income tax-related information, including forms, from the Canada Revenue Agency? What would be your next most preferred method?
READ AND ROTATE FOR FIRST PREFERENCE – THEN READ AND ROTATE REMAINING RESPONSES FOR SECOND PREFERENCE

01 – By mail
02 – By visiting a CRA tax service office
03 – By telephone
04 – By fax
05 – By visiting the CRA website
VOLUNTEERED
07 – No first preference DON'T ASK FOR SECOND PREFERENCE
08 – No second preference
09 – Post office/Financial institution
98 – Other (SPECIFY _____)
99 – DK/NA DON'T ASK FOR SECOND PREFERENCE

32. Which of the following ways would you most prefer to pay an income tax bill to the Canada Revenue Agency? What would be your next most preferred method?
READ AND ROTATE FOR FIRST PREFERENCE – THEN READ AND ROTATE REMAINING RESPONSES FOR SECOND PREFERENCE

01 – By sending it by mail
02 – By visiting a CRA tax service office
03 – By visiting your financial institution
04 – By paying by phone or website through your financial institution
VOLUNTEERED
07 – No first preference DON'T ASK FOR SECOND PREFERENCE
08 – No second preference
09 – CRA Website
98 – Other (SPECIFY _____)
99 – DK/NA DON'T ASK FOR SECOND PREFERENCE

G. Respondent Profile

To finish up, I would like to ask you a few questions about you and your household for statistical purposes only. Please be assured that your answers will remain completely confidential.

33. Which is the last level of education that you have completed?
DO NOT READ – CODE ONE ONLY – DO NOT PROBE IN JUDGEMENTAL WAY

01 - Grade school or less
02 - Some high school
03 - High school grad
04 - Vocational/Technical school
05 - Some university
06 - University grad
07 - Postgraduate degree
99 – NA/REFUSE

34. In what year were you born?

99 – NA/REFUSE

35. In what country were you born?
DO NOT READ – CODE ONE COUNTRY OR CONTINENT ONLY

01 – Canada
02 – US
03 – Europe
04 – Asia
05 – South/Central America
06 – Africa
07 – Australia/New Zealand
98 – Other (SPECIFY _____)
99 – NA/REFUSE

36. How many people, including yourself, currently live in your household?
SPECIFY NUMBER

99 – NA/REFUSE

37. What language do you most frequently speak in your household?
DO NOT READ – CODE ONE ONLY

- 01 - English
- 02 - French
- 98 – Other
- 99 – NA/REFUSE

38. For statistical purposes only, please tell me which of the following categories applies to your total household income for the year 2004?
READ - CODE ONE ONLY – STOP ONCE RESPONDENT CONFIRMS CATEGORY

- 01 - Under \$20,000
- 02 - \$20,000 to under \$40,000
- 03 - \$40,000 to under \$60,000
- 04 - \$60,000 to under \$80,000
- 05 - \$80,000 to under \$100,000
- 06 - \$100,000 and over
- VOLUNTEERED
- 99 - REFUSE/DK/NA

39 And to better understand how results vary by region, may I have the first three digits of your postal code?
ACCEPT FIRST THREE DIGITS

___-___-___
999 - DK/NA

This completes the survey. In case my supervisor would like to verify that I conducted this interview, may I please have your first name?

First Name: _____

Thank you very much for your time and assistance. This survey was conducted on behalf of the Canada Revenue Agency, and is registered under the Federal Access to Information Act. CRA will use the information collected on this survey to improve the level of service it provides to Canadians.

PROVIDE CRA CONTACT NAME AND PHONE NUMBER IF REQUESTED

CRA Contact Name	Aziz Mehira
Phone	613-952-0431

THANK AND TERMINATE

RECORD

40. Gender

- 01 - Male
- 02 – Female

41. Language of interview

- 01 – English
- 02 - French

42. Province

- 01 - British Columbia
- 02 - Alberta
- 03 - Saskatchewan
- 04 - Manitoba
- 05 - Ontario
- 06 - Quebec
- 07 - Newfoundland and Labrador
- 08 - Nova Scotia
- 09 - New Brunswick
- 10 - Prince Edward Island

43. Community size

- 01 - 1 million plus
- 02 - 100,000 to 1 million
- 03 - 25,000 to 100,000
- 04 - 10,000 to 25,000
- 05 - 5,000 to 10,000
- 06 - Less than 5,000