

**Qualitative and Quantitative Research  
2016 Annual Corporate Research  
Executive Summary  
(Qualitative)**

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*Ce rapport est aussi disponible en français*

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## Executive summary

### Background and objectives

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

Specifically, the objectives of the research were to gain insight into the following areas:

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

### Methodology

#### Qualitative phase

Environics Research conducted a series of 12 focus groups with members of the general population, small and medium businesses, and tax intermediaries between July 25 and August 3, 2016. Four sessions were conducted in each of Toronto/GTA, Calgary, and Montreal. In each community two sessions were conducted with the general population, one session with SME decision-makers and one session with tax intermediaries. Eight sessions were conducted in English and four sessions were conducted in French. The sessions were distributed as follows:

Date and time	Group Composition
July 25, 5:30 p.m. EDT	Low/Middle income – Mississauga, Ontario
July 25, 8:00 p.m. EDT	Higher income – Mississauga, Ontario
July 26, 5:30 p.m. EDT	SME decision-makers – Toronto, Ontario
July 26, 7:30 p.m. EDT	Tax intermediaries – Toronto, Ontario
July 27, 5:30 p.m. MT	Low/Middle income – Calgary, Alberta
July 27, 7:30 p.m. MT	Higher income – Calgary, Alberta
July 28, 5:30 p.m. MT	SME decision-makers – Calgary, Alberta
July 28, 7:30 p.m. MT	Tax intermediaries – Calgary, Alberta
August 2, 5:30 p.m. EDT	Low/Middle income – Montreal, Quebec
August 2, 7:30 p.m. EDT	Higher income – Montreal, Quebec
August 3, 5:30 p.m. EDT	SME decision-makers – Montreal, Quebec
August 3, 7:30 p.m. EDT	Tax intermediaries – Montreal, Quebec

The groups lasted approximately 120 minutes, and consisted of between 8 and 10 participants (out of 10 people recruited for each group) for the general population sessions and 7 to 8 participants (out of 8 people recruited for each group) for the business and tax intermediary groups.

Participants were recruited using a mix of Random Digit Dialling and databases of Canadians who have agreed to be contacted to participate in focus groups. All MRIA and Government of Canada standards for conducting qualitative research were adhered to. Each participant received an incentive as a token of appreciation for their time. The general population incentive was \$100, SME decision-makers received \$175 and tax intermediaries received \$150. All sessions were audio and video-taped.

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

## Quantitative phase

Environics conducted a telephone survey with 1,600 adult residents of Canada, from July 15 – August 1, 2016. A survey of this size will yield results which can be considered accurate to within +/- 2.45 percentage points, 19 times out of 20. Margins of error are larger for subgroups of the population. The sample was stratified by region to allow for meaningful coverage of lower population areas:

Region	Sample Size	Margin of error*
Atlantic Canada	175	+/- 7.4
Quebec	375	+/- 5.1
Ontario	525	+/- 4.3
Prairies/NWT/Nunavut	127	+/- 8.7
Alberta	198	+/- 7.0
B.C./Yukon	200	+/- 6.9
CANADA	1,600	+/- 2.45

\* In percentage points, at the 95% confidence level

In addition, Environics conducted an online survey with 300 decision-makers at small to medium enterprises and 300 tax intermediaries. The following definitions were used:

- Tax intermediary: A person who works with small business clients (<100 employees) on tax-related or payroll matters
- SMB: A decision-maker or involved in decisions on tax related matters, payroll, GST/HST preparation, or bookkeeping at small to medium businesses (<100 employees). Acceptable job titles included:
  - President/CEO/Owner
  - CFO/Comptroller
  - Accountant
  - Payroll Manager/Officer
  - Manager
  - Bookkeeper
  - Financial Officer

Environics obtained the business sample from our trusted partners, Vision Critical and Asking Canadians. As this was an online panel survey, which is a non-probability sample, no margin of error can be applied to the results.

## **Cost of research**

The cost of this research was \$158,040.70 (HST included).

## **Report**

This report begins with an executive summary outlining key findings and conclusions, followed by a detailed analysis of the focus group findings. Detail on the research methodology, recruitment guide and moderator's guide are included in the appendices. The findings from the quantitative research are provided under separate cover. Also provided under a separate cover is a detailed set of "banner tables" presenting the results for all questions by population segments as defined by region and demographics.

**Use of findings of the research.** The findings from this research will be used in the CRA's Annual Report to Parliament, for strategic planning exercises, and for internal analysis of public opinion. In addition, the research will be used for other corporate reporting, including the Board of Management Oversight Framework, the Commissioner's Annual Reports to the Governments of the Provinces and Territories, among others.

## Key findings – qualitative phase: General public

The findings with the general public suggest that there are varying views about the Agency that are primarily influenced by their personal interactions with the CRA. Those with positive impressions were largely basing them on positive customer service experiences they have had with staff at the Agency. This indicates that the recent focus on customer service is likely having a positive effect on clients.

Negative impressions are predominantly influenced by two factors: personal interactions with the CRA and with impressions about government agencies in general. Opinions involving personal interactions with the CRA relate to not receiving information in a satisfactory timeframe, within the first contact, or that is consistent. Those with negative impressions on government agencies in general, seems to involve scepticism of government in general and therefore opinions of the CRA are grouped with all other “government”-type organizations.

Irrespective of participants’ overarching opinion about the CRA, there are areas that are widely viewed positively, indicating that they are able to parse out specific executional successes from overarching views of the Agency. These areas included the perceived efficiency in distributing tax refunds in a timely manner as well as significant transition to online tax filings. Experiences with online filing and services are very commonly used to file income taxes and are considered to be a significant improvement from paper-based filing experiences. Software programs are widely praised as making income tax filings easier. While participants recognize that the CRA does not create these programs, the positive effects are applied to impressions of the CRA.

Another positive online addition is the MyAccount service. About half in the sessions are aware of this service and impressions are positive. Many appreciated the ability to review their tax records and notices at the tip of their hands, without having to contact the CRA or dig through old files.

By contrast, there are areas with opportunity for improvements that are generally seen among participants, primarily relating to accessing customer service. Reaching the CRA by telephone is the most significant pain point raised by participants and one that was experienced by many. A majority claim that they have to call multiple times before reaching the queue to eventually speak to someone. For the most part, participants are able to separate out their impressions of the customer service they receive when speaking with someone versus their frustration with trying to reach the CRA. However, it was clear from the sessions that this is a widely experienced issue.

Part of this may be the continued reliance on contacting the CRA even when information is found on the website. It was commonly expressed that the website is used as an initial information gathering stage with a follow-up call to confirm the information that was found, with the only exception to this was when searching for a specific form. This suggests that while the information may be accessible and available on the CRA’s website, it appears that users are not comfortable relying solely on it. Rather, there is a clear preference to re-confirm with someone directly at the CRA.

Relating to the CRA website, there is also often difficulties in finding specific information. Many find the website comprehensive which in itself creates some challenges. As noted above, searching for forms is a common task that is easily completed at the CRA’s website. However, seeking specific information requires more effort. As a result, many call the CRA to have their question answered.

Overall, the findings from the general public sessions were neutral to positive. Participants recognize that the CRA is relatively efficient and seems to be more customer-service orientated. However, there are some clear pain points with reaching the CRA in an efficient way to have questions answered.

## Key findings – qualitative phase: Business and tax intermediary

Overall impressions from these audiences are mixed, and again, are based on interactions with the CRA. Opinions also varied between businesses and tax intermediaries. Both SMEs and tax intermediaries in these sessions were more apt to have stronger opinions about the CRA and likely due to the increased interactions with the Agency. Unique to these two groups is the comparisons made to other government organizations, which has a positive effect for the CRA in that CRA was seen to be performing better than departments, particularly in Calgary and Montreal.

**Businesses** in the sessions were somewhat less positive in their impressions of the CRA in comparison to tax intermediaries. Some find the Agency difficult to deal with and considered them adversarial in some instances. By contrast, other businesses appear to have positive interactions which is the lens through which they evaluate the CRA as a whole.

**Tax intermediaries** by far have the most interaction with the CRA and are somewhat positive in their impressions of the CRA, with some caveats. For them, there appears to be an understanding that the tax system in general is complicated, expansive, and continues to grow. As a result, things change on a regular basis which can sometimes be difficult to keep up to date.

Both businesses and tax intermediaries are virtually unanimous in their view that the CRA's transition to more online services has been positive and an area that the Agency performs well in. For tax intermediaries in particular, it has helped them better manage their files with clients and provided information that is readily available, without contacting the CRA. The RC59 and "represent a client" are commonly lauded as positive introductions made by the Agency. MyAccount and MyBusinessAccount were also very well received and generally used with positive impressions.

Having said that, there is a willingness to have more access to information and services online than what is currently available. Obtaining remittance forms in particular is a pain point and an area that a majority of the intermediaries would like to have access to online.

For these two audiences, there were two key points of consideration relating to customer service where they feel the CRA can improve upon. The first is the consistency in the information provided to them. A number cite examples where information relayed from the CRA call centres is not consistent and largely depends on who they speak to. While they have seen some efforts in this regard, it continues to be an area of opportunity for the Agency. As well, like the general public, easily reaching a CRA representative continues to be a significant challenge for intermediaries in particular. This unique audience is the most actively engaged with the CRA and is acutely aware of any perceived changes in service level.

The auditing process also poses some challenges for these audiences in terms of the process. While they recognize that audits are "part of the system", there is an impression that the auditors are not always properly matched to the business they are auditing, leading to a feeling that the auditor is not as knowledgeable as expected. Moreover, it is widely viewed that the process itself is long and arduous, due to the perceived lack of decision-making ability on-site. As a result, this was raised as pain point for those in the sessions.

## **Political neutrality statement and contact information**

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

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