



Canada Revenue  
Agency

Agence du revenu  
du Canada

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# 2022–2023 ePayroll Public Opinion Research

## Executive Summary

### Prepared for the Canada Revenue Agency

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Canada The wordmark for Canada, with a small red maple leaf icon above the letter 'a'.

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#### Executive Summary

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This public opinion research report presents the results from both the quantitative and qualitative studies conducted by Nanos Research on behalf of the Canada Revenue Agency. Both research components featured a sample of adults from the general population who are in the workforce or looking to join/rejoin the workforce. The quantitative study was conducted online in English and in French between March 31 and May 28, 2023, while the in-person focus groups were held from May 27 – June 15, 2023.

Cette publication est aussi disponible en français sous le titre : Recherche sur l'opinion publique concernant la paie électronique de 2022-2023.

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## Executive summary

### A. Research Purpose and objectives

The Government of Canada has begun an initiative called ePayroll to develop a recommendation to modernize the way employers send payroll, employment and demographic information to government departments and agencies. The objective is to reduce the administrative burden for Canadian employers and streamline the delivery of government benefits and services. The initiative is being led by Canada Revenue Agency (CRA) in partnership with Employment and Social Development Canada and Treasury Board Secretariat – Office of the Chief Information Officer and is part of the government’s Budget 2021 commitment to propose a near real-time solution to better service Canadian businesses.

The project will result in a costed implementation plan, including the following:

- A business case
- A transformation blueprint
- A project management framework

The first phase of the research at hand provided the CRA with a quantitative measure of public opinions and perceptions, while the second phase (qualitative) will complement the results from the quantitative phase and provides the CRA with better contextual information regarding public opinion towards the ePayroll solution. Both phases will inform strategic decision-making by helping to gauge the comfort level, biases and misconceptions Canadians have towards an ePayroll solution, as well as identify new challenges and opportunities that could impact Canadians.

The specific research objectives were as follows:

- Provide an understanding of how Canadians feel about an ePayroll solution in relation to privacy, user interface, experience, convenience and the clarity of information;
- Identify potential challenges related to accessibility and access;
- Gauge biases and misconceptions Canadians have towards an ePayroll solution;
- Identify potential challenges and opportunities related to the ePayroll solution;
- Provide key information to inform recommendations for the ePayroll solution, including related to communications and promotion of a solution in the future.

## **B. Methodology**

### **Quantitative Methodology**

The survey is comprised of 1,717 Canadians, between 18 and 65 years of age who are in the workforce or looking to join/rejoin the workforce. This sample of Canadians includes an oversample of 75 individuals in the Territories.

The survey sample was drawn from two sources:

- 1) the Nanos Probability Panel, which contains about 40,000 Canadians who were randomly recruited to join the panel by land and cell lines with live agents
- 2) a supplemental random recruitment of adults by land and cell lines to ensure coverage of the Territories

The resulting sample contains individuals who were all randomly recruited by telephone, thus allowing a margin of error to be associated with the research. All respondents self-administered the survey online.

The online survey was conducted between March 31 and May 28, 2023, in English and in French. The survey programming was tested extensively online in both languages.

The margin of error for a random survey of 1,717 Canadians connected to the workforce, between 18 and 65 years old is plus or minus 2.4 percentage points, 19 times out of 20 (95% confidence interval). It is important to note that the results for subgroups have a larger margin of sampling error than for the overall sample because of their smaller sample sizes. Also, the margin of sampling error is highest for questions where 50% of the respondents gave one answer and the other 50% gave another answer. The margin of sampling error decreases for questions where the observed percentage for a particular response approaches 0% or 100%.

### **Qualitative Methodology**

The qualitative component of this research program featured in-person focus groups among Canadians, 18 to 65 years of age, connected to the workforce (excluding retirees or those permanently out of the workforce).

Focus groups were conducted in the following communities:

- Vancouver (two groups)
- Sudbury (two groups)
- Halifax (one group)
- Moncton (one group)
- Montréal (one group)
- Trois-Rivières (one group)
- Yellowknife (rural) (one group)
- Winnipeg (Indigenous Peoples) (one group)

The two (2) Quebec groups and one (1) Moncton group were conducted in French and the remainder were in English. Each session was up to 120 minutes in length.

Each group had between 4 and 10 participants, with 10 being recruited per group to achieve this target. A total of 79 participants attended the focus groups out of a total of 100 individuals recruited.

Readers should note that qualitative research is designed to reveal a rich range of opinions and interpretations rather than to measure what percentage of the target population holds a given opinion. These results must not be used to estimate the numeric proportion or number of individuals in the population who hold a particular opinion because they are not statistically projectable. The focus group research will allow the CRA to gauge the views and gather in-depth insights from specific communities of interest.

### **C. Contract value**

The total contract value was \$200,111.17 (HST included).

**Supplier name:** Nanos Research

Public Work and Government Services Canada's contract number: CW2274121

Original contract date: 2023-02-16

For more information, contact the CRA at [cra-arc.media@cra-arc.gc.ca](mailto:cra-arc.media@cra-arc.gc.ca).

## D. Key findings by theme

### Quantitative

The ePayroll project is a Government of Canada initiative to modernize how employers send payroll, employment and demographic information to government departments and agencies – with the end goal of reducing the administrative burden for Canadian employers and streamlining the delivery of government benefits and services. As such, themes covered in the survey range from personal work experiences (for example, experience with loss of pay, obtaining T4 slips and filing income taxes) to thoughts and attitudes towards a potential ePayroll service.

### Interruption of earnings

- Two thirds of Canadians connected to the workforce (65%) report having experienced an interruption of earnings at some point during their work experience, which occurs when the employment ends or an employee leaves because of pregnancy, injury, illness, retirement, layoff, leave without pay, dismissal, adoption or compassionate care leave.
- Those who report having experienced at least one interruption of earnings are most likely to say that they last experienced this either more than five years ago (36%) or in the past twelve months (26%).
- Close to one in two Canadians connected to the workforce who have experienced an interruption of earnings report they applied for and received Employment Insurance (EI) (48%), while 43% report they did not apply for EI and 7% say they applied for but did not receive EI. Of those who received EI, one in three say they waited between three and four weeks (32%) for their first payment, while roughly a quarter report having waited more than four weeks (26%) or two weeks or less (22%).
- Only 1 in 10 who received EI report having worked part-time or full weeks while receiving EI payments during an interruption of earnings (13%), with adults in this segment more likely to say it was very or somewhat easy (47%) to calculate their hours and earnings rather than very or somewhat difficult (31%).
- Just over half of Canadians connected to the workforce report they have never changed employers during the calendar year (55%), while more than four in ten report they have (45%). Among those who report having changed employers during the calendar year, just over half say they did not ask for a T4 but received one (53%), while one in five report they asked for and received a T4 quickly (22%). Another 14% report they asked for a T4 and it took a long time to receive it.

### Income tax preparation

- Nine in 10 Canadians connected to the workforce report they sent in a personal income tax return in the past year (90%), while 8% report they did not. Those who did not submit a tax return most often cite difficult personal circumstances as the reason (18%), followed by planning to file soon/waiting on someone or something (15%), the tax process being too confusing or complicated (11%) and missing documentation (11%).

- A majority of those who say they received help to file their most recent tax return report having used a professional tax preparer for help (80%) rather than a friend or family member (19%).
- More than 8 in 10 Canadians connected to the workforce report they are registered with the CRA's My Account online service (85%), while fewer say they are registered with Service Canada's My Service Canada Account (MSCA) (43%; 40% are not and 18% are unsure).
- Those who are registered with the CRA's My Account have a high level of satisfaction with the usefulness (77% very or somewhat satisfied), navigation (66%) and design of the service (64%), with the highest intensity of satisfaction given to the usefulness of the service. A similar trend emerges among those registered with Service Canada's MSCA when rating different elements of the service (71% usefulness; 63% navigation; 59% design).

### The ePayroll project

- A majority of Canadians connected to the workforce report they had not heard of the Government of Canada's ePayroll project previously (93%), while just 7% of Canadians report they had.
- When asked to rate the positive or negative impact, a number of potential outcomes of an ePayroll service would have on their impressions of the initiative, respondents provide the highest intensity of positivity to the service reducing the need for them to report the same information to the government multiple times (83%), followed by streamlining the delivery of government benefits and services to Canadians (77%) and having digital access to their own ePayroll file and being able to use the information as valid "proof of income" (76%).
- Respondents were shown three statements and asked to rate to what extent each one is concerning or not to them with regard to the implementation of a potential ePayroll service. Opinions are rather split, with roughly 4 in 10 each who are either very/somewhat concerned or somewhat not/not at all concerned. However, Canadians connected to the workforce are much more likely to be very or somewhat concerned (45%) about having their payroll, employment or demographic information stored in a single system operated by the Government as opposed to multiple systems operated by multiple government departments than they are to be somewhat not concerned or not at all concerned about this (34%).
- In terms of how the government uses the ePayroll service impacts impressions of it, three quarters of Canadians connected to the workforce each say the following attributes would have a somewhat positive or very positive impact on their impression of the ePayroll initiative: if the information coordination improved government efficiency (76%), if the information coordination was done via secure channels (74%) or if accessing their information was done only on a "need to know" basis (73%).
- Canadians connected to the workforce are nearly five times more likely to feel that security and privacy of their personal data are most important to them (47%) rather than the convenience of having all their personal/employment data in one place and being able to access it whenever they like (10%). Just over 4 in 10 say these are of equal importance to them (42%).

- When asked to rate the importance of a number of potential features and benefits of the ePayroll service, having the ability to easily correct any errors they may find in their personal information (86%) and knowing that when they have to update their information they will tell the Government once and it will be updated across all departments (85%) emerge as being top of mind in importance, rated as being very/somewhat important by more than four in five. Being able to see their updated payroll information throughout the year (56%) and the government having the capacity to pre-fill certain data fields in commonly used forms (54%) are seen as comparatively less important than the other potential features and benefits.
- Canadians connected to the workforce are eight times more likely to strongly or somewhat agree (80%) rather than strongly or somewhat disagree (8%) with the statement “I would want my employer to get my consent before they share my information with the Government of Canada” when asked to rate their agreement with a number of statements about the ePayroll initiative. Close to two thirds of Canadians connected to the workforce each strongly or somewhat agree with the statements “I think the ePayroll service has the potential to benefit everyday Canadians like myself” (67%) or “The Government of Canada should develop/implement an ePayroll service. That is, an upgraded service that would better coordinate Canadians’ payroll, employment and demographic information” (64%). There is a lower intensity of agreement regarding trusting the Government of Canada to keep their personal information secure (43%).



## Qualitative

The ePayroll project is a Government of Canada initiative to modernize how employers send payroll, employment and demographic information to government departments and agencies – with the end goal of reducing the administrative burden for Canadian employers and streamlining the delivery of government benefits and services. The qualitative component of the research program seeks to complement the results from the quantitative phase and provide the CRA with better contextual information regarding public opinion towards the ePayroll solution. As such, themes covered in the qualitative research program include awareness of the ePayroll initiative, opportunities and concerns related to the ePayroll initiative, ideas for an ePayroll user platform, and recommendations and communications.

### Awareness and understanding of an ePayroll solution

- Most participants had not heard of the ePayroll initiative prior to the focus groups. On average, impressions of the ePayroll initiative were largely positive. Their impressions were influenced by the benefits of streamlining payroll information and improved accessibility, as well as concerns about security and privacy, uncertainty about implementation and the need for more information.
- Some found the concept clear and straightforward, while others felt it was vague due to the lack of details. Participants wanted more information about how the system would work, data sharing, security measures and the impact on employers and small businesses to form a clearer opinion. Additional visual aids or flowcharts were suggested to improve understanding.

### Opportunities and concerns related to the ePayroll initiative

- Positive elements related to the ePayroll initiative identified by participants included the streamlining of payroll information, improved accessibility and time-saving benefits. Participants believed the initiative could free up accounting departments from extensive paperwork, lead to more accurate and up-to-date information and potentially result in cost savings for businesses. Moreover, they saw benefits in terms of faster processing times for employment-related matters and improved detection of errors or fraud. On the flip side, however, participants mentioned negatives such as data security and privacy issues as top concerns, especially related to potential breaches and unauthorized access to sensitive information. Other negative factors mentioned included the burden on employers for regular data entry, potential job losses due to automation and the impact on small businesses.
- Regarding accessing payroll information such as T4s and Records of employment (ROE), participants generally rated their ability to currently access this information quite positively. They mentioned using various methods such as employer-provided portals, CRA accounts, email and paper documents to access this information. However, some participants faced difficulties, such as technical issues, long wait times and limited access after leaving their employer.
- Participants generally agreed that an ePayroll service would improve their ability to access payroll information. They expressed openness to the idea but highlighted concerns such as technical challenges, data accuracy and reliance on employers to provide accurate information. Participants saw potential benefits for employers, employees and the government, including improved efficiency, accuracy and accessibility of payroll information.

- While participants were generally comfortable with the idea of using a potential Government of Canada portal to access payroll information, some expressed uncertainties about privacy and security. Trust in the government varied among participants, with some mentioning positive experiences with government portals and others expressing concerns about potential security breaches. Many noted they trusted the government more than other organizations in the private sector to store their sensitive and personal information. Participants also identified several barriers and potential challenges for the ePayroll initiative, including issues related to technology, data accuracy, cost, accessibility and resistance to change.

#### **Ideas for an ePayroll user platform**

- Participants envision the ePayroll tool as a secure portal accessible on a desktop computer, with the possibility of a mobile app option for smartphone users. The tool should allow users to access employment-related information, such as T4 forms, pay stubs and ROEs.
- Participants emphasized the importance of easy navigation, a search function and a chat or support feature to assist users. Considerations for designing the tool included accessibility with multiple language options and accommodations for people with vision impairments. Other suggestions included FAQs, user testing and robust security and privacy features. Important features highlighted by participants included ease of access, the ability to update personal information, integration with existing government platforms and the implementation of two-factor authentication for added security.

#### **Recommendations and communications**

- Participants had mixed impressions of the term “ePayroll.” Some viewed it positively, associating it with the convenience of electronic access to payroll information and process streamlining. However, many participants had negative or neutral impressions, with a number of them saying the term was catchy but the system described was not actually a payroll system and others finding the term confusing and limited in representing the broader scope of the initiative. They suggested changing the name to better reflect the purpose and avoid misunderstandings.
- Participants recommended integrating the initiative with existing platforms, conducting thorough user testing, providing adequate training / support and ensuring user-friendliness and security during development and implementation. They also advised a phased approach to the implementation, starting with a smaller region before a nationwide rollout.
- For effective communication with the general public, participants said the Government of Canada should emphasize convenience, efficiency, transparency and security. They said clear messages about the initiative’s benefits and purpose should be shared through various channels, such as TV, social media, emails and traditional mail, to reach different audiences effectively. In general, participants stressed the importance of addressing concerns, prioritizing user needs and ensuring clear communication to achieve widespread acceptance and success of the ePayroll initiative in Canada.

## E. Political neutrality statement and contact information

This certification is to be submitted with the final report submitted to the Project Authority.

I hereby certify, as a Representative of Nanos Research, that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Government of Canada's Policy on Communications and Federal Identity and Directive on the Management of Communications. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, party standings with the electorate, or ratings of the performance of a political party or its leaders.



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