

Minister  
of National Revenue



Ministre  
du Revenu national

Ottawa, Canada K1A 0A6

Mr. John Williamson, M.P.  
Chair of the Standing Committee on Public Accounts  
House of Commons  
Ottawa ON K1A 0A6

Dear Mr. Williamson:

Pursuant to Standing Order 109 of the House of Commons, I am pleased to respond on behalf of the Government of Canada to the recommendations made in the Twenty-Third Report of the Standing Committee on Public Accounts, entitled *Access to Benefits for Hard-to-Reach Populations*, tabled in the House of Commons on December 14, 2022.

The Government would like to thank the Committee for its review and recommendations. The Government also appreciates the insight and support provided by the Committee.

Please find enclosed a copy of the Government Response to the recommendations contained in the Standing Committee on Public Accounts' report.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Diane Lebouthillier'.

The Honourable Diane Lebouthillier

Enclosure

**GOVERNMENT RESPONSE TO THE TWENTY-THIRD REPORT OF THE  
STANDING COMMITTEE ON PUBLIC ACCOUNTS, ENTITLED ACCESS TO  
BENEFITS FOR HARD-TO-REACH POPULATIONS**

**INTRODUCTION**

The Government of Canada (GC) is pleased to respond to the Twenty-Third Report of the Standing Committee on Public Accounts (PACP), entitled *Access to Benefits for Hard-to-Reach Populations* (the Report), tabled in the House of Commons on December 14, 2022. The GC appreciates the work of the Committee and welcomes its analysis, views, and recommendations.

On May 31, 2022, the Office of the Auditor General of Canada (OAG) tabled Reports 1 to 4 of the Auditor General of Canada in the House of Commons. Report 1, *Access to Benefits for Hard-to-Reach Populations*, (Report 1) focused on whether the Canada Revenue Agency (CRA) and Employment and Social Development Canada (ESDC) either directly, or through leveraging other federal departments and other non-federal government entities, ensured that hard-to-reach populations were made aware of, and could access, the Canada Child Benefit, the Canada Workers Benefit, the Guaranteed Income Supplement, and the Canada Learning Bond.

As noted by the OAG in Report 1, “Based on their stated importance as elements of Canada’s First Poverty Reduction Strategy, the Canada Child Benefit and the Canada Workers Benefit (both administered by the CRA), the Guaranteed Income Supplement (administered by ESDC), and the Canada Learning Bond (administered by ESDC and supported by the CRA) were selected for examination related to the outreach approaches undertaken to ensure hard-to-reach populations are made aware of and can access these benefits.”

On October 21, 2022, Report 1 was referred to PACP for consideration.

After carefully reviewing PACP’s report, the GC has chosen to respond to each of the Committee’s recommendations individually. The GC appreciates the work of the Committee and welcomes its analysis, views, and recommendations. The Government Response also accepts the Committee’s reporting schedule and will provide all of the requested reports.

Below is the Government Response to each recommendation.

**Recommendation 1 – On the protection of personal information**

*That the Canada Revenue Agency, in collaboration with the Privacy Commissioner of Canada, study the restrictions mandated by privacy laws and the possibility of modifying the legal framework to allow for the better sharing of data between the Canada Revenue Agency, Employment and Social Development Canada, and Statistics Canada, while ensuring that the protection of personal information is maintained.*

The CRA supports the recommendation in principle. Recommendation 1 calls for a study with the Office of the Privacy Commissioner (OPC) on restrictions mandated by privacy laws and the possibility of modifying the legal framework to allow for the better sharing of data, while

ensuring the protection of personal information. However, a number of departments are responsible for the relevant legislation (e.g., ESDC, Statistics Canada, Justice Canada, Finance Canada). The requirements pertaining to the sharing of information are not limited to the *Privacy Act* but are guided by other Acts of Parliament (for example, the *Income Tax Act*, which comes under the purview of the Department of Finance). To address the underlying issue of improving data-sharing while protecting personal information, engagement with the departments responsible for the legislation is required first.

The CRA will study the current legal framework to identify what barriers may exist with respect to sharing information that would help improve the Government's understanding and determination of take-up of benefits, particularly among vulnerable populations, and identifying individuals for targeted outreach who may not be receiving the benefits and credits to which they are entitled. Upon completing this study, the CRA will consult departments responsible for the relevant legislation. The CRA will then consult the OPC on any proposed changes to the legal framework around data-sharing resulting from the study.

The CRA, ESDC and Statistics Canada have important work underway to assess the take-up of benefits and credits and will continue to assess if there are other areas to share information that warrant further consideration and collaboration. For example:

- The CRA and Statistics Canada completed a linkage rate study that leverages the 2016 Census and tax data to better understand benefit take-up for different segments of the population and are currently updating this work using the latest Census (2021).
- The CRA has conducted a non-filer benefit outreach program whereby the Agency contacted individuals who may be entitled to benefits or credits, based on information on file at the CRA, but have not filed a tax return.
- ESDC is working on a revised methodology to estimate the take-up rate for the CCB. This revised methodology expands on the previous methodology by using population projections from Statistics Canada to estimate the population who may be eligible for the CCB.

The CRA is also committed to its ongoing engagement with the OPC in the better sharing of data, while maintaining appropriate safeguards regarding the protection of personal information with its government partners. The goal of this engagement is to identify what barriers may exist with respect to sharing information that will help improve the Government's understanding and determination of take-up of benefits, particularly among vulnerable and hard-to-reach populations.

The examination would be concurrent with existing efforts being undertaken by Justice Canada. With respect to the *Privacy Act*, the Government is currently undertaking a thorough review of the Act. Justice Canada is leading this modernization initiative, and substantial policy development and engagement work has taken place since the Government announced the review in 2017. Justice Canada has received a number of submissions from stakeholders, including the Privacy Commissioner of Canada, and has been involved in extensive interdepartmental discussions with federal government institutions, including with the Canada Revenue Agency.

Justice Canada's discussion paper entitled *Respect, Accountability, Adaptability: A discussion paper on the modernization of the Privacy Act* (Discussion Paper) recognizes that better data integration within the federal government can have clear benefits for Canadians. The Discussion Paper sets out a number of potential changes to the *Privacy Act* to create a modernized framework that would support the responsible use and sharing of personal information to advance government objectives in the public interest.

### **Recommendation 2 – On improving measurement of benefit take-up**

*That, by 30 April 2023, the Canada Revenue Agency, Employment and Social Development Canada, and Statistics Canada provide the House of Commons Standing Committee on Public Accounts with a joint progress report on the steps taken to improve measurement of the take-up of benefits such as the Canada Child Benefit, the Canada Workers Benefit, the Guaranteed Income Supplement, and the Canada Learning Bond, including its assessment of existing data on hard-to-reach populations; the implementation of measures to collect missing data; and actions taken to make better use of these data. A final joint report must also be presented by 30 April 2024.*

The CRA, ESDC, and Statistics Canada support this recommendation. The CRA and departments acknowledge and agree to deliver a joint progress report by April 30, 2023, and a final joint report by April 30, 2024.

The CRA and ESDC continue to recognize the importance of individuals receiving the benefits to which they are entitled. The CRA, ESDC, and Statistics Canada have taken concrete steps, building on recent efforts, to advance commitments made in the Management Action Plan response to the OAG's report, including:

- leveraging existing and implementing new working groups, committees, and senior decision-making tables to formalize governance for ongoing prioritization, development, and reporting on the take-up of benefits for hard-to-reach populations;
- assessing all work done to date and establishing a plan for continuous improvement and refinement of measuring the take-up of benefits for hard-to-reach populations;
- finalizing an assessment of current practices, methodologies, and data used for reporting of the take-up of benefits and identifying specific opportunities and measures to improve processes, including the alignment of definitions, the clarification of roles and responsibilities, and associated data requirements;
- focusing on identification of relevant data, data sharing between departments, and better use of existing data; and
- leading research projects and initiatives aimed at understanding gaps in benefit delivery with respect to vulnerable, marginalized, or hard-to-reach populations.

### **Recommendation 3 – On measuring the effectiveness of outreach strategies**

*That, by 30 June 2023, the Canada Revenue Agency and Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with a joint progress report on actions taken to better measure the effectiveness of*

***outreach approaches, particularly on their key performance indicators; and on pilot projects and cooperation on developing and implementing consistent performance measures. A final joint report must also be presented by 30 June 2024.***

The CRA and ESDC support this recommendation and agree to deliver a joint progress report by June 30, 2023, and a final joint report by June 30, 2024. Both the CRA and ESDC are working to identify better ways to measure the effectiveness of outreach approaches, recognizing that such measures often require the collection of personal information or additional steps for the individual. Finding the right balance is essential to obtain the insights needed to effectively allocate resources and to adapt methods to achieve increased access to benefits. The CRA and ESDC are jointly working to identify better performance indicators, and an interdepartmental working group has been established to do this work and to identify potential pilots to explore measures and methodologies. This collaborative work will help to establish consistent measures that will inform decision making regarding outreach and other activities that may contribute to improving benefit uptake by hard-to-reach populations.

The CRA and ESDC will build on the strategies developed in response to Recommendation 2 and ensure they align with the strategies created to improve current measures of the effectiveness of outreach activities. Current measures to understand the effectiveness of outreach approaches focus on understanding the number of individuals taking advantage of the offered service, the nature of their enquiries, the proportion of communities benefiting from outreach activities, and the number of partners collaborating to reach those most in need. For example, in the 21-22 program year, the Agency conducted 3,084 benefit outreach activities to a total audience of 47,387 registered participants. Our data also informs us that some 574,330 individuals accessed Community Volunteer Income Tax Program clinics, resulting in the filing of 638,610 tax and benefit returns in 2021. This represents an increase of 8% to individuals helped and an 11% increase in returns filed from 2020.

Similarly, in FY 2020-2021, Service Canada's outreach services shifted to the promotion of its new service delivery channels in response to the temporary suspension of in-person outreach activities due to the pandemic, including eServices Canada and the Outreach Support Centre (OSC), a toll-free dedicated telephone line for Indigenous communities and clients who face barriers to accessing services. Through 19,117 engagements with community organizations to promote the new service delivery channels, in FY 2020-2021, the OSC received 41,126 calls, including 8,225 from Indigenous communities, resulting in 49,274 service requests, and in FY 2021-2022, the OSC received 27,258 calls, including 4,961 from Indigenous communities, resulting in 31,833 service requests for ESDC programs and services. In addition to these new service delivery channels, in FY 2021-2022, Service Canada's outreach teams continued to engage with community organizations that support vulnerable populations. Through a blend of these newly adopted approaches and traditional outreach activities, outreach staff engaged 5,605 community partners, including 698 Indigenous communities, and delivered 2,512 information sessions, conducted 386 clinics assisting 9,079 participants and 97 clinics to Indigenous communities, resulting in 1,462 service requests. Finally, Service Canada led three Guaranteed Income Supplement (GIS) call campaigns targeted for seniors; through these campaigns, 32,754 calls were made in June 2021 to clients whose benefits were about to be suspended because Service Canada had not received information regarding their income to determine eligibility.

Subsequently, 10,000 calls were made in November 2021 to seniors whose GIS benefits were suspended, and 10,250 calls were made in January 2022 by outreach staff to OAS recipients who were potentially eligible for the GIS but had not previously applied.

Although these performance indicators demonstrate that the outreach activities of the CRA and ESDC are indeed reaching individuals to inform them of the benefits available and to assist them in applying for benefits, some information gaps still remain. The CRA and ESDC will continue to work jointly to identify other measures that may be available to understand other aspects of the effectiveness of its outreach activities while respecting the authorities under the *Income Tax Act*, the *Department of Employment and Social Development Act*, and the *Privacy Act*.

#### **Recommendation 4 – On integrating targeted outreach activities**

*That, by 30 June 2023, the Canada Revenue Agency and Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with a joint progress report on actions taken to improve the integration of their outreach activities and with those of other government departments and agencies, to reach individuals requiring a high level of support to access benefits. A final joint report must also be presented by 30 June 2024.*

The CRA and ESDC support this recommendation and agree to deliver a joint progress report by June 30, 2023, and a final joint report by June 30, 2024. The CRA has actively collaborated with ESDC on outreach activities targeted to specific vulnerable or hard-to-reach populations for the past five years and will continue to do so in pursuit of a seamless client service experience. This collaboration is evidenced through initiatives such as joint “Super clinics,” where the CRA and Service Canada collaborate to provide complementary services; the co-located Northern Service Centres in the territorial capitals of Whitehorse, Yellowknife, and Iqaluit; the “Let us help you get your benefits!” pilot; the Canada Child Benefit Journey Mapping project and nudge letter initiatives (i.e., letters informing individuals of the ways available to receive benefits for which they are eligible).

The CRA and ESDC have established a joint working group to explicitly identify opportunities to further integrate outreach activities and assist individuals requiring a high level of support to access benefits. This collaboration will include defining the extent of the support that both entities can provide, determining any service gaps, and developing specific approaches for certain populations while respecting respective roles and responsibilities and any applicable privacy provisions in legislation.

#### **Recommendation 5 – On Canada Learning Bond Take-up**

*That, by 30 April 2023, Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with a report presenting: 1) the main factors explaining the low Canada Learning Bond take-up rates, particularly among Indigenous children; 2) actions the department intends to take to improve the Canada Learning Bond take-up rates, particularly among Indigenous children; and 3) the Canada*

***Learning Bond take-up rates among Indigenous and non-Indigenous children, using the 2021 Census data.***

ESDC supports this recommendation and agrees to provide PACP with a report on take-up of the Canada Learning Bond by April 30, 2023. ESDC recognizes the value of further assessing the reasons for low take-up of the Canada Learning Bond, particularly among Indigenous children. Recent data linkages have enabled ESDC to identify populations with lower take-up. In addition, the program evaluation completed in 2022 focused on access barriers to the Canada Learning Bond and provides valuable insights for further action by ESDC.

ESDC has undertaken multiple outreach initiatives to increase awareness of and access to the Canada Learning Bond. This includes expanded mailings to all caregivers of Canada Learning Bond-eligible children and, starting in 2022, direct outreach efforts to eligible youth just before they turn 18 to encourage them to access the Bond on their own for their post-secondary education. In addition, the Canada Learning Bond Pilot Project, announced in Budget 2017, funded organizations to test innovative approaches to increase awareness of and access to the Bond. Under phase two of the pilot project, currently underway until spring 2024, 13 organizations received funding, including Indigenous organizations and those serving Indigenous communities ESDC is planning further outreach efforts in collaboration with various partners, including Indigenous-serving organizations.

Given the known barriers to accessing the Canada Learning Bond, ESDC is exploring ways to simplify the application and enrolment processes in ways that would benefit eligible children not receiving the Bond, including Indigenous children.

Finally, ESDC agrees about the importance of assessing the Canada Learning Bond take-up rates among Indigenous and non-Indigenous children. As noted in the PACP report, a program analysis using 2016 Census data showed that the take-up rate of the Bond was only 6.8% among Indigenous children, compared to 27.7% among non-Indigenous children. The Department will work towards providing new estimates based on the 2021 Census data.