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CANADA

CANADA EMERGENCY RESPONSE BENEFIT

Report of the Standing Committee on Public Accounts

Kelly Block, Chair

**MAY 2021
43rd PARLIAMENT, 2nd SESSION**

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**Kelly Block
Chair**

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NOTICE TO READER

Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

has the honour to present its

SEVENTEENTH REPORT

Pursuant to its mandate under Standing Order 108(2), the committee has studied Report 6, Canada Emergency Response Benefit, of the 2021 Reports of the Auditor General of Canada and has agreed to report the following:

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LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1 – Post-payment verifications

That, by 31 May 2022, the Canada Revenue Agency provide the House of Commons Standing Committee on Public Accounts with an interim report on the preliminary findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered; and that a final report be provided by 31 May 2023. 13

Recommendation 2 – Post-payment verifications

That, by 31 May 2022, Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with an interim report on the preliminary findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered; that two other interim reports be provided by 31 May 2023 and by 31 May 2024; and that a final report be provided by 31 May 2025..... 14

Recommendation 3 – Assessment of the Canada Emergency Response Benefit

That, by 31 December 2021, the Canada Revenue Agency provide the House of Commons Standing Committee on Public Accounts with a report on its assessment of the Canada Emergency Response Benefit..... 16

Recommendation 4 – Assessment of the Canada Emergency Response Benefit

That, by 30 June 2022, Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with a report on its assessment of the Canada Emergency Response Benefit. 16



INTRODUCTION

ABOUT THIS COMMITTEE REPORT

On 25 March 2021, the Office of the Auditor General of Canada (OAG) tabled in the House of Commons a report entitled Canada Emergency Response Benefit, which was referred to the House of Commons Standing Committee on Public Accounts (the Committee) for study.¹ On 15 April 2021, the Committee held a meeting on this report. The following individuals took part in the meeting:

- OAG – Karen Hogan, Auditor General of Canada; Jo Ann Schwartz, Principal; Steven Mariani, Director; and Robyn Roy, Director
- Canada Revenue Agency (CRA) – Bob Hamilton, Commissioner of Revenue and Chief Executive Officer; Maxime Guénette, Assistant Commissioner and Chief Privacy Officer, Public Affairs Branch; Marc Lemieux, Assistant Commissioner, Collections and Verification Branch; and Frank Vermaeten, Assistant Commissioner, Assessment, Benefit and Service Branch
- Employment and Social Development Canada (ESDC) – Graham Flack, Deputy Minister; Lori MacDonald, Senior Associate Deputy Minister and Chief Operating Officer for Service Canada; Cliff Groen, Senior Assistant Deputy Minister, Benefits and Integrated Services Branch, Service Canada; and Elisha Ram, Associate Assistant Deputy Minister, Skills and Employment Branch
- Finance Canada – Michael Sabia, Deputy Minister, and Michelle Kovacevic, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch²

1 House of Commons, *Journals*, 25 March 2021.

2 House of Commons, Standing Committee on Public Accounts, *Minutes of Proceedings*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#).



BACKGROUND

A. The Canada Emergency Response Benefit

According to the OAG, the purpose of the \$500 a week Canada Emergency Response Benefit (CERB) “was to support workers who lost income as a result of the COVID-19 pandemic. It was intended to:

- help affected workers meet their financial obligations;
- allow workers to stay home to help stop further spread of the virus;
- reduce the disease’s toll on individuals and the health care system.”³

Although the CERB is “generally referred to as 1 benefit, there were 2 benefits with slightly different eligibility criteria. Applicants could apply for either benefit:

- Applicants eligible for Employment Insurance benefits should apply for the Employment Insurance Emergency Response Benefit. This benefit fell under the *Employment Insurance Act*.
- Applicants not eligible for Employment Insurance benefits should apply for the non–Employment Insurance Emergency Response Benefit. This benefit fell under the *Canada Emergency Response Benefit Act*.”⁴

As of 4 October 2020, the CERB had paid out about \$74 billion.⁵

B. Focus of the audit

The OAG audit focused on whether:

- ESDC and Finance Canada “provided analysis to support the initial design and subsequent adjustments to the Canada Emergency Response Benefit;”⁶

3 Office of the Auditor General [OAG], [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.2.

4 Ibid., para. 6.3.

5 Ibid., para. 6.5.

6 Ibid., para. 6.10.

- ESDC and the CRA “designed mechanisms so that the benefit would support eligible workers who suffered a loss of income for reasons related to the COVID-19 pandemic, including limiting abuse of the benefit.”⁷

The audit covered the period from 1 March 2020 to 10 January 2021. This is the period to which the audit conclusion applies.⁸

C. Roles and responsibilities

ESDC’s responsibilities for the CERB “included policy development and program design, administration, and enforcement. The department engaged the Canada Revenue Agency to help administer the benefit.”⁹ For the non-Employment Insurance Emergency Response Benefit, the CRA’s “responsibilities included:

- accepting applications;
- verifying and validating the applicant’s eligibility;
- processing applications and authorizing payments;
- preventing the processing of non-eligible applications;
- identifying and collecting erroneous payments.”¹⁰

ESDC “had these same responsibilities for the Employment Insurance Emergency Response Benefit.”¹¹

Lastly, Finance Canada “is responsible for providing advice and analysis to the Minister of Finance on the economic, fiscal, and social considerations related to proposed policy options.”¹²

7 Ibid., para. 6.11.

8 Ibid., [About the Audit](#).

9 Ibid., para. 6.6.

10 Ibid., para. 6.7.

11 Ibid., para. 6.8.

12 Ibid., para. 6.9.



According to Karen Hogan, the Auditor General of Canada, the program is “done in collaboration, but the ultimate decisions about the program were left to [ESDC].”¹³

FINDINGS AND RECOMMENDATIONS

A. Design and analysis of the Canada Emergency Response Benefit

ESDC designed and implemented the CERB in a few weeks.¹⁴ According to the OAG, ESDC and Finance Canada considered key areas in the design of the CERB and in real time,¹⁵ which “was used to inform changes to the benefit and respond to the evolving crisis.”¹⁶

1. Rapid design of the benefit

“The unprecedented nature of the global pandemic in mid-March 2020 meant that developing policy, conducting economic analysis, drafting legislation, preparing communications products, and ultimately putting the Canada Emergency Response Benefit in place occurred very quickly. Turnaround time for key steps was often a few hours or overnight.”¹⁷

The OAG found that ESDC “considered social, economic, and health and safety information to inform decisions about the benefit’s design. This included key areas such as the benefit’s parameters and structure and its impact on different recipient groups, economic sectors, and the labour supply.”¹⁸

Finance Canada considered some of the same key areas as ESDC and conducted preliminary analysis on the benefit’s cost. Once the initial design of the benefit was

13 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1210.

14 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.17.

15 *Ibid.*, paras. 6.18 and 6.19.

16 *Ibid.*, para. 6.19.

17 *Ibid.*, para. 6.26.

18 *Ibid.*, para. 6.27.

finalized, Finance Canada compared aspects of the CERB with similar benefits being delivered by other countries in response to the pandemic.¹⁹

2. Benefit expanded and modified over time

According to the OAG, ESDC launched the CERB to “issue the benefit as quickly as possible to Canadians who had stopped working because of the COVID-19 pandemic”²⁰ even though ESDC knew that initial eligibility criteria for the CERB excluded seasonal workers, individuals ready to work but unable to find jobs because of the pandemic and people whose Employment Insurance claims were approaching the maximum benefit period.²¹

Moreover, ESDC “was aware that the benefit’s initial design could create a disincentive for some workers to continue working or seek employment. This was because it did not allow for any income to be earned while receiving the benefit.”²² ESDC “analyzed possible options before it expanded the benefit eligibility on 15 April 2020. This change both included more workers and encouraged people to keep working by allowing workers to earn up to \$1,000 a month while receiving the benefit.”²³

ESDC subsequently “monitored and analyzed the benefit after accepting applications and delivering the benefit ... On the basis of this analysis, the department developed options to continue to support workers affected by the pandemic. Ultimately, the Government of Canada extended the benefit twice. It was extended from 16 weeks to 24 weeks on 26 June 2020, and to 28 weeks on 28 August 2020.”²⁴

Finance Canada performed analysis on the impact of the CERB on economic sectors, the labour supply, the incentive to return to work and the interaction between the CERB and the Canada Emergency Wage Subsidy.²⁵ It also considered the United Nations’ Sustainable Development Goals and how they were related to the emergency nature of the benefit.²⁶

19 Ibid., para. 6.31.

20 Ibid., para. 6.32.

21 Ibid.

22 Ibid., para. 6.33.

23 Ibid., para. 6.34.

24 Ibid., para. 6.35.

25 Ibid., para. 6.36.

26 Ibid., para. 6.37.



ESDC and Finance Canada also considered gender-based analysis plus (GBA+) to assess how Canadian workers were being supported by the benefit according to age, occupation type and gender.²⁷ ESDC Deputy Minister Graham Flack noted:

Our initial assessment was that we were likely going to see a gender differentiation there because the people getting hit the hardest were in sectors where women are overrepresented.

Another factor in terms of the GBA+ analysis was where to set the \$5,000-income threshold. Women are also overrepresented in the part-time worker sector, so the decision was made to go with a lower income threshold, given that part-time workers were also disproportionately—it appeared, in the early analysis—impacted by the crisis.²⁸

Lastly, the CRA analyzed the CERB and suggested changes to ESDC on the non-Employment Insurance Emergency Response Benefit.²⁹

3. Recommendation

The OAG made no recommendations in this area.³⁰

B. Approach to controls

According to the OAG, ESDC and the CRA “understood the risks of emphasizing quick delivery instead of their usual approaches to validating eligibility, which includes more controls.”³¹ Once the CERB was rolled out, ESDC and the CRA “introduced additional pre-payment controls to stop payments to ineligible applicants in order to limit potential abuse.”³² The organizations “planned to start most of the post-payment verification in the 2021–22 fiscal year.”³³

27 Ibid.

28 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1250.

29 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.38.

30 Ibid., para. 6.25.

31 Ibid., para. 6.39.

32 Ibid., para. 6.40.

33 Ibid., para. 6.41.

1. Initial focus on expediting payments

The OAG found that, to deliver the CERB quickly, ESDC and the CRA “took the approach of relying on applicants’ attestations to assess eligibility for the Canada Emergency Response Benefit. Applicants were to confirm that they did not quit their jobs voluntarily and that they had stopped working because of the COVID-19 pandemic.”³⁴ According to ESDC, “if the standard pre-payment measures that are used to validate Employment Insurance applicants’ eligibility had been applied for this benefit, it would have taken months to process and issue payments.”³⁵

The OAG found that, “by using attestations and limiting the number of pre-payment controls to validate eligibility, [ESDC] and the [CRA] were aware that some payments would be issued to applicants who were not entitled to the benefit. This included potential cases of intentional misrepresentation. Accepting risks in order to expedite payments to those in need is consistent with best practices promoted by the International Public Sector Fraud Forum and its Principles of Fraud Control in Emergency Management.”³⁶

2. Some additional pre-payment controls introduced

To prevent benefit payments from being issued to ineligible applicants, ESDC and the CRA “introduced some additional pre-payment controls as the benefit was being delivered to limit potential abuse.”³⁷

(i) Applications for the Employment Insurance and the non-Employment Insurance benefit

ESDC and the CRA acted quickly to reduce the risk that workers would receive payments for both the Employment Insurance Emergency Response Benefit and the non-Employment Insurance Emergency Response Benefit. “However, some people applied for and received payments from both benefits before this control was introduced. According to the department and the agency, this represented approximately \$500 million in Canada Emergency Response Benefit payments.”³⁸ According to the OAG, “it

34 Ibid., para. 6.50.

35 Ibid.

36 Ibid., para. 6.53.

37 Ibid., para. 6.54.

38 Ibid., para. 6.55.



will be critical that the organizations conduct rigorous post-payment verification work in this area.”³⁹ ESDC Deputy Minister Graham Flack commented:

The only way to prevent duplicate applications would have been to have a real-time connection between those two systems. We knew this was impossible to build without months of delay and we made a conscious decision not to delay launching the CERB by months just to have that real-time connection. ...

Therefore, we designed a system. We thought it was going to take three weeks to put it in place to be able to block people on both sides, but the teams were able to put that together in one week.

I'd point out that the money is not lost. We then immediately went to the individuals who had been paid on both sides. Because almost all of those individuals applied for multiple weeks, we had an ability to then tell them that they were going to need to pay it back.⁴⁰

(ii) Applications for the Canada Emergency Response Benefit and the Canada Emergency Student Benefit

The OAG found that, when the CRA “launched the Canada Emergency Student Benefit, it designed controls to prevent an applicant from receiving payments from both that benefit and the [CERB] for the same period.”⁴¹

(iii) Identifying suspicious non-Employment Insurance applications

Of the approximately 141,000 individuals who contacted the CRA about their application after being asked to do so by the CRA because of suspicious information, only 11% were actually eligible for the non-Employment Insurance Emergency Response Benefit.⁴²

Karen Hogan explained:

I think it’s hard to draw the analogy that because there were some blocked payments, we could then draw a conclusion based on the entire population when only a small percentage were actually ineligible recipients. This group was a group of what we’ll say

39 Ibid.

40 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1235.

41 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.56.

42 Ibid., para. 6.57.

are our “suspicious” accounts. ... I don’t think it’s appropriate to make the analogy that all of the payments would be like that.⁴³

(iv) Identifying suspicious Employment Insurance applications

The OAG found that ESDC “developed risk scenarios to identify and detect high-risk Employment Insurance Emergency Response Benefit applicants.”⁴⁴ According to ESDC, “as of 30 November 2020, payments were stopped for more than 30,000 potentially fraudulent applications. This represented approximately \$42 million.”⁴⁵

(v) Using controls designed for other programs

On 11 May 2020, the CRA “introduced an automated control to compare new applicants for the non–Employment Insurance Emergency Response Benefit with information it had already collected from other programs on high-risk indicators, such as suspicious individuals.”⁴⁶ Given that this information predated the benefit, the OAG “would have expected this control to have been introduced at the launch of the benefit.”⁴⁷ The CRA explained that “introducing this control earlier would have meant delaying the launch of the benefit.”⁴⁸

3. Most post-payment verification to begin in the 2021–2022 year

Karen Hogan emphasized the importance of post-payment verification, which will be the subject of a future audit:

Accepting risks in order to expedite payments to those in need is consistent with international best practices. Since the ability to implement prepayment controls is limited in an emergency, post-payment verification becomes very important and must be planned for and carried out to uphold the stewardship of public funds.⁴⁹

43 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1230.

44 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.58.

45 *Ibid.*

46 *Ibid.*, para. 6.59.

47 *Ibid.*

48 *Ibid.*

49 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1150.



ESDC developed a four-year post-payment verification plan that prioritizes the types of cases that will be examined, identifies the number of cases that will be completed each year and identifies the resources required to complete the reviews and investigations.⁵⁰ At the time of the OAG’s audit, ESDC “was pursuing work related to post-payment verification and collection of ineligible payments under interim orders issued pursuant to the *Employment Insurance Act*. When these interim orders cease to apply in September 2021, the department will not be able to use its current process for the collection of ineligible payments from recipients.”⁵¹

The OAG found that the CRA “also developed several post-payment verification plans that included verification work until March 2023. However, it was unclear to what extent the plans would address risks directly related to the non–Employment Insurance Emergency Response Benefit”⁵² because these plans were still in draft form and included several other emergency benefits.

CRA Commissioner Bob Hamilton said that, if claimants “knew they had to repay, it would be easier to do it before the end of the 2020 calendar year.”⁵³ CRA Assistant Commissioner Frank Vermaeten said that “[m]ore than a million repayments have been made.”⁵⁴

4. Recommendations

(i) Post-payment verification

Regarding post-payment verification of the CERB, the OAG made the following recommendation:

Employment and Social Development Canada and the Canada Revenue Agency should finalize and implement their plans for the Canada Emergency Response Benefit post-payment verification work.⁵⁵

50 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.61.

51 Ibid., para. 6.62.

52 Ibid., para. 6.63.

53 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1300.

54 Ibid.

55 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.64.

Bob Hamilton noted:

With respect to the first recommendation, the agency's verification work will be largely supported by information that will become available during the 2020 tax filing season, which is under way now. This will help avoid unnecessary reviews of recipients who may in fact have been eligible to receive a benefit payment or who may have already voluntarily repaid monies owing.

The agency will finalize and implement its post-verification plan in collaboration with ESDC. This strategy will consider the economic landscape and the ongoing state of the COVID-19 pandemic in order to administer responsible and appropriate compliance measures while maintaining the fairness and integrity of the CERB program and ensuring the sound stewardship of public funds.

As we indicated in our response, beginning in August 2021, the agency will leverage 2020 tax filing data to do risk assessment of the CERB recipient population in order to select and prioritize cases for post-payment reviews.⁵⁶

According to its action plan, the CRA will complete its post-compliance work in March 2023.⁵⁷

Therefore, the Committee recommends:

Recommendation 1 – Post-payment verifications

That, by 31 May 2022, the Canada Revenue Agency provide the House of Commons Standing Committee on Public Accounts with an interim report on the preliminary findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered; and that a final report be provided by 31 May 2023.

56 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1150.

57 Canada Revenue Agency (CRA), [Detailed Action Plan](#), p. 1.



Graham Flack noted:

We have developed a four-year post-payment verification plan, and initiated it, to ensure that those who received the benefit were eligible. As you may know, in the fall economic statement, both departments were provided with additional resources to support this work. This boost in funding will help us to take action to detect and investigate cases of fraud related to the benefit.⁵⁸

According to its action plan, ESDC developed “a detailed operational plan for the identification and recovery of [Employment Insurance Emergency Response Benefit] erroneous payments and overpayments over the upcoming four years.”⁵⁹ Working in collaboration with the CRA, ESDC also adjusted “any elements of the four-year plan to ensure alignment of integrity activities.”⁶⁰ Verification work may therefore take up to four years.

Regarding the timeline for the verifications, Karen Hogan said:

I know that this is a long period of time, but post-payment verifications require some back and forth. A good plan must be implemented. That is why my office intends to verify post-payment compliance activities. We plan to wait a few months and to begin, if possible, in late 2021. That way, we will be able to provide advice to improve the process, as needed.⁶¹

Therefore, the Committee recommends:

Recommendation 2 – Post-payment verifications

That, by 31 May 2022, Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with an interim report on the preliminary findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered; that two other interim reports be provided by 31 May 2023 and by 31 May 2024; and that a final report be provided by 31 May 2025.

58 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1200.

59 Employment and Social Development Canada (ESDC), Detailed Action Plan, p. 1.

60 Ibid.

61 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1225.

(ii) Assessment of the Canada Emergency Response Benefit

As regards the assessment of the CERB, the OAG made the following recommendation:

Employment and Social Development Canada and the Canada Revenue Agency should conduct a formal assessment of the delivery of the Canada Emergency Response Benefit in order to apply the findings to the design and delivery of future government emergency response and recovery benefits.⁶²

Bob Hamilton noted:

With respect to the second recommendation, the agency will conduct a formal assessment of the delivery of the CERB. This will allow us to identify best practices and lessons learned and to determine if functionality and processes can be leveraged in a future urgency or crisis.

The findings from this exercise will be available by December 31 of this year, and these findings will support the design and delivery of future government emergency response and recovery programs.⁶³

In its action plan, the CRA announced the following milestones for assessing the CERB:

- a. establish an internal working group with representation from key impacted stakeholders within the CRA (May 2021);
- b. review and analyze the processes followed in the development and implementation of the Canada Emergency Response Benefit (May-September 2021);
- c. consult with CRA stakeholder branches involved in the delivery of the Canada Emergency Response Benefit (from 15 March to 31 December 2020) (May-September 2021);

62 OAG, [Canada Emergency Response Benefit](#), Report 6 of the 2021 Reports of the Auditor General of Canada, para. 6.65.

63 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1150.



- d. develop a repository of best practices and lessons learned to support the development of future emergency response and recovery programs (October-November 2021);
- e. prepare for information purposes a post-mortem summary report for senior management (December 2021).⁶⁴

The Committee therefore recommends:

Recommendation 3 – Assessment of the Canada Emergency Response Benefit

That, by 31 December 2021, the Canada Revenue Agency provide the House of Commons Standing Committee on Public Accounts with a report on its assessment of the Canada Emergency Response Benefit.

ESDC Deputy Minister Graham Flack noted:

At this stage we don't know how long it's going to take to do the full evaluation, but we'll be doing it as expeditiously as we can and have no problem releasing it publicly. ... We're certainly trying to get it done within a year.⁶⁵

As ESDC's action plan does not contain a specific timeline with respect to recommendation 6.65, the Committee will rely on the target announced by Graham Flack to carry out the assessment of the CERB within one year, and therefore recommends:

Recommendation 4 – Assessment of the Canada Emergency Response Benefit

That, by 30 June 2022, Employment and Social Development Canada provide the House of Commons Standing Committee on Public Accounts with a report on its assessment of the Canada Emergency Response Benefit.

64 CRA, [Detailed Action Plan](#), pp. 1–2.

65 House of Commons Standing Committee on Public Accounts, *Evidence*, 2nd Session, 43rd Parliament, 15 April 2021, [Meeting No. 25](#), 1255.

CONCLUSION

The Committee concludes that, despite not having the usual time required to perform analysis for the design of a new benefit, ESDC and Finance Canada considered and conducted analysis in key areas as part of the initial design and subsequent adjustments to the CERB.

The two organizations took the approach of relying on personal attestations and automated pre-payment controls so that the Canada Emergency Response Benefit would be issued quickly to eligible workers who lost income because of the COVID-19 pandemic. Once the CERB was launched, ESDC and the CRA introduced additional pre-payment controls to limit potential abuse of the benefit. The need for post-payment verification increased given this approach. ESDC and the CRA developed plans to conduct post-payment work.

The Committee would like to acknowledge the outstanding contribution of ESDC, CRA and Finance Canada staff in the quick design and delivery of a critical program in the midst of a pandemic. Given the \$74 billion in CERB funding (as of 4 October 2020), the Committee makes four recommendations to ensure that the necessary verifications and program assessments are conducted as thoroughly and diligently as possible.



SUMMARY OF RECOMMENDED MEASURES AND TIMELINES

Table 1 – Summary of Recommendations and Timelines

Recommendation	Recommended Measure	Timeline
Recommendation 1	The Canada Revenue Agency (CRA) should provide the House of Commons Standing Committee on Public Accounts with a progress report and a final report on findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered.	31 May 2022; and 31 May 2023
Recommendation 2	Employment and Social Development Canada (ESDC) should provide the Committee with three progress reports and one final report on findings of its post-payment verification work for the Canada Emergency Response Benefit, including amounts recovered.	31 May 2022; 31 May 2023; 31 May 2024; and 31 May 2025.
Recommendation 3	CRA should provide the Committee with a report on its assessment of the Canada Emergency Response Benefit.	31 December 2021
Recommendation 4	ESDC should provide the Committee with a report on its assessment of the Canada Emergency Response Benefit.	30 June 2022

APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee’s [webpage for this study](#).

Organizations and Individuals	Date	Meeting
<p>Canada Revenue Agency</p> <p>Bob Hamilton, Commissioner of Revenue and Chief Executive Officer</p> <p>Maxime Gu�nette, Assistant Commissioner and Chief Privacy Officer, Public Affairs Branch</p> <p>Marc Lemieux, Assistant Commissioner, Collections and Verification Branch</p> <p>Frank Vermaeten, Assistant Commissioner, Assessment, Benefit and Service Branch</p>	2021/04/15	25
<p>Department of Employment and Social Development</p> <p>Graham Flack, Deputy Minister, Employment and Social Development</p> <p>Lori MacDonald, Senior Associate Deputy Minister, Employment and Social Development and Chief Operating Officer for Service Canada</p> <p>Cliff C. Groen, Senior Assistant Deputy Minister, Benefits and Integrated Services Branch, Service Canada</p> <p>Elisha Ram, Associate Assistant Deputy Minister, Skills and Employment Branch</p>	2021/04/15	25
<p>Department of Finance</p> <p>Michael J. Sabia, Deputy Minister</p> <p>Michelle Kovacevic, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch</p>	2021/04/15	25

Organizations and Individuals	Date	Meeting
Office of the Auditor General Karen Hogan, Auditor General of Canada Jo Ann Schwartz, Principal Steven Mariani, Director Robyn Roy, Director	2021/04/15	25

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 25 and 32](#)) is tabled.

Respectfully submitted,

Kelly Block, M.P.
Chair

