

Minister
of National Revenue



Ministre
du Revenu national

Ottawa, Canada K1A 0A6

JUN 12 2018

The Honourable Kevin Sorenson
Chair of the Standing Committee on Public Accounts
House of Commons
Ottawa ON, K1A 0A6

Dear Colleague:

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 41st Report of the Standing Committee on Public Accounts entitled: *Report 2, Call Centres – Canada Revenue Agency, of the Fall 2017 Reports of the Auditor General of Canada*, tabled in the House of Commons on February 12, 2018.

The Government would like to thank the Committee for its review to ensure that the Canada Revenue Agency (the Agency or CRA) addresses each of the issues identified in the Auditor General's audit, and its recommendations to help the Agency's call centres provide taxpayers with access to accurate and timely information.

The Government appreciates the insights and support provided by the Committee.

The Government Response takes into account the CRA's commitment to improve service to taxpayers through more timely access to its call centres' agents and the provision of accurate information. It also supports my mandate letter priority to make it easier for taxpayers to meet their tax obligations and to improve the service experience of taxpayers and benefit recipients.

Please find enclosed a copy of the Government's Response to the recommendations of the Report.

Sincerely,

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

The Honourable Diane LeBouthillier, P.C., M.P.
Minister of National Revenue

**GOVERNMENT RESPONSE TO THE 41st REPORT
OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS ENTITLED:
REPORT 2, CALL CENTRES – CANADA REVENUE AGENCY, OF THE FALL 2017
REPORTS OF THE AUDITOR GENERAL OF CANADA**

INTRODUCTION

The Government of Canada is pleased to respond to the 41st Report of the Standing Committee on Public Accounts entitled: *Report 2, Call Centres – Canada Revenue Agency, of the Fall 2017 Reports of the Auditor General of Canada*, tabled in the House of Commons on February 12, 2018.

After carefully reviewing the Committee's report, the Government has chosen to respond to each recommendation individually. The Government of Canada appreciates the work of the Committee and welcomes its analysis, views and recommendations.

The following represents the Government response, including the results of the requested 10 day study that measured caller access and accuracy of responses, which are provided in response to Recommendation 4.

ABOUT THE CALL CENTRES

Canada operates a self-assessment system of taxation, whereby taxpayers determine their own tax liabilities under the *Income Tax Act*, and file their own returns to reflect those liabilities. They accomplish these tasks with the assistance of tools and guidance from the Canada Revenue Agency, through service options such as assistance from live agents by telephone.

Participation in this system of voluntary compliance is contingent to a large extent upon taxpayer confidence in the integrity of the tax system which is, in turn, significantly impacted by their access to timely and accurate assistance, including that provided by those telephone agents. Therefore, taxpayers who wish to comply must be sure that they have readily available access to the information that they need, and that this information is accurate.

RECOMMENDATIONS

Recommendation 1: The Canada Revenue Agency should provide the Committee with a report detailing what progress has been made with regard to 1) reviewing how it manages its incoming calls to improve access; and 2) giving callers information on call wait times to access an agent so they can decide if they prefer to wait, use self-service options such as the website, or call back later.

The Government of Canada supports this recommendation. Since November 2017, the Canada Revenue Agency (the Agency or CRA) has made progress in the detailed action plan presented to the Committee.

Increased Resources

Budget 2016 provided the CRA with temporary funding, on a declining scale over a four year period, to improve the accessibility of its phone service. Although considerable focus of the report was based on prior periods, this investment, which began in 2016-2017 has allowed for the hiring of more phone agents, resulting in improvements to the accessibility of CRA's phone service. A further investment in the phones was announced as part of Budget 2018 which will see resource levels stabilized. The combined investments essentially reverse the funding cuts that had been made in years prior to 2016. This additional funding, supplemented by internal funding reallocations within the CRA, is strengthening the Agency's telephone enquiries service for Canadians.

Manage incoming calls - wait times

Pilots were launched in the spring and summer of 2017 to examine the impacts of extending callers' wait times in the queue. Given the findings of these pilots, including information gathered from callers through an automated post-call survey, queue wait times were increased to an average of five minutes. This change has resulted in an increase in the number of callers that get into the queue, reducing the number of attempts that callers need to make to speak with an agent. The Agency will continue to monitor results closely and will consult with Canadians on wait time preferences before establishing new service standards for phone service.

Explore and expand self-service options

The CRA continues to identify trends and opportunities to offer alternative solutions to the phone channel. As a result of our analysis, our Interactive Voice Response system (IVR) self-serve options were expanded, and new options were made available in February 2018. For example, the IVR now allows callers to obtain their account balance and details pertaining to the last payment made to the CRA without needing to speak to an agent and at a time most convenient to the caller. Details about this new service appear on all Notice of Assessments that identify that there is an outstanding balance on the account. In the 2016-2017 fiscal year, the Agency issued more than 5 million such notices to taxpayers. Providing callers with the ability to verify their account balance and payment information through alternative means will support the Agency's efforts to reduce the need for callers to speak with an agent.

The CRA's digital portals (My Account, My Business Account, and Represent a Client) are also factoring prominently and providing Canadians with an alternative to contacting the Agency by phone. In fact, today, more than 9.1 million Canadians now have access to these digital portals and are able to self-serve.

These initiatives have resulted in a reduction in the number of call attempts needed to reach an agent from 7 in the summer of 2015-2016 which is prior to the additional funding investment, to 2.1 for 2017-2018. The impacts of these changes on the level of access to the phone service and on caller satisfaction will continue to be monitored.

Consulting Canadians – wait times and self-service options

An independent market research firm will conduct a Public Opinion Research study in spring of 2018 with Canadians who recently called the CRA to understand their preferences with respect to wait times. Additionally, focus group consultations will be conducted in fall 2018 as part of the already scheduled 2018-2019 Annual Corporate Research to identify potential enhancements to self-service options.

In addition to information about wait time preferences, the public opinion research will provide information about caller preferences related to alternative service options and help determine what types of information could be made available on the CRA website that would satisfy Canadian's need for information without the need to speak to an agent.

Caller satisfaction is now being gauged through an automated post-call survey, which asks voluntary participants five questions regarding their call experience. Data collection began in summer 2016 for business enquiries and in summer 2017 for individual inquiries. This survey information provides feedback on the wait time experienced by callers and will be used to improve our phone service.

The actions taken to date have partially contributed to meeting this recommendation.

Migrating to a new telephone platform

The CRA is working in partnership with Shared Services Canada (SSC) and other government departments to evaluate and develop a new telephone platform that will connect Canadians with agents more efficiently. It is the Agency's intention to have the new technology in place in 2018, following the proper testing prior to implementation. The new telephone platform will provide the Agency with more options to manage the incoming calls. In most cases, callers will be put into a queue and be given an expected wait time rather than receive a busy signal. Callers will then be free to stay on the line, choose a self-serve option or call back if the expected wait time is too long.

Recommendation 2: The Agency should provide the Committee with a report detailing what progress has been made with regard to ensuring that its quality assurance practices generate more effective results in order to improve accuracy, identify opportunities for continuous improvement, and identify and monitor training needs.

The Government of Canada supports this recommendation, and has made progress in its detailed action plan since November 2017.

The CRA's approach to improving quality focusses on many areas that can impact the quality and accuracy program: training, current and future quality and accuracy evaluations and monitoring techniques, and tools and reference materials.

Improved training

The CRA has changed the way that newly hired agents are trained. Our training programs were redesigned in early 2017, then were piloted in the fall. This program has since been rolled out across the country for all new hires. This new approach better assesses readiness and proficiency of agents before leaving the training environment, and this, consistently across the country. It provides stronger and more consistent post-classroom support.

The development of new refresher training modules will make call centres more agile in their readiness to provide supplementary training to agents on topics identified from feedback from the National Quality and Learning Program, "mystery shopper" calls, and listeners in the call centres. These new modules will be introduced for the next income tax filing season.

Training Records

A reporting mechanism has been introduced in the call centres to ensure training records are maintained to better track the call centres' training plans, and to ensure that this information is readily available at the national level.

Improved tools and materials

Improvements to the agent desktop tools and reference materials are continuing. Testing for usability has been done, both to identify potential problem areas and to incorporate the redesign of the new on line portal and selected home pages. These changes will make the tools easier to navigate and find information necessary to respond to enquiries.

Leveraging new technology for call recording

The National Quality and Accuracy Learning Program is preparing to implement call recording for individual agent coaching and learning support to be ready when the new technology is available. Processes are being developed for call selection, assessment, and agent feedback with local site representative training that was introduced in March 2018. This new approach to quality monitoring, which will be available with our new call centre technology, will replace the current monitoring methods of assessors sitting beside agents listening to the call using a dual headset as well as the internal survey practices.

National accuracy evaluations

At a national program level, an interim central accuracy assessment team has been conducting accuracy assessments using a similar method as utilized during the audit conducted by the Auditor General. A number of areas for improvement have been identified, such as reference material clarifications, corrections, and call processing suggestions. Work is underway to create a National Accuracy Team (NAT) as a long term solution for accuracy assessment. It will begin operations in the 2018-2019 fiscal year, using the modern call recording features introduced through the new telephone platform. The NAT's mandate will be to assess, review, and track the quality and accuracy of the information that telephone agents provide in order to improve accuracy, identify opportunities for continuous service improvement, and identify and monitor training needs. Procedures for review and assessment are being established. The team will be in place when call recording features are available using the new technology.

Recommendation 3: The Agency should provide the Committee with a report detailing what progress has been made with regard to assessing and improving its performance indicators and its reporting on the accessibility, accuracy, and timeliness of its call centre services.

The Government of Canada supports this recommendation. The CRA is now reporting on call accessibility and satisfaction levels internally.

Consulting Canadians – service standards

The independent market research (see Recommendation 1 above) will also gather feedback on reporting of CRA's telephone enquiries service to determine caller's opinions regarding service standards that would be meaningful to them.

Clearer reporting

The CRA has expanded the information provided in the annual Departmental Results Report (DRR) beginning with the report for the 2016-2017 fiscal year, so as to provide Canadians with more information on the performance of the Agency's call centres. It currently includes information on the number of calls:

- answered by an agent,
- abandoned in the agent queue,
- answered through self-service,
- that received a busy signal.

Monitoring caller satisfaction

Post-call surveys are being conducted. Caller satisfaction is monitored and analysed monthly from feedback of recent callers to the three business lines; Individual Tax, Benefits, and Business Enquiries.

Recommendation 4: The Agency should provide the Committee with the results of a study that uses a sampling period of 10 business days during the normal hours of operation, using a random sample of call centre agents from across the country, that measures 1) the percentage of calls that connect with an agent, that connect with the automated overflow system, or that receive a busy signal; and 2) the percentage of accurate responses provided.

The Government of Canada supports this recommendation. The CRA conducted the recommended study. The national accuracy assessment was conducted over a two-week period in mid-February 2018 by a team from CRA Headquarters. The study consisted of a random sampling of agents, using a "mystery shopper" methodology, posing the same 17 questions that the Office of the Auditor General of Canada used in its review. Each question was asked to 13 different agents, randomly selected, for a total sample of 221 agents.

The table below outlines the accuracy results from the assessment along with national accessibility results for the same period.

Summary of Results			
Call Treatment	Calls answered by CRA		64%
	% of calls answered by an agent	44%	
	% of calls served by our automated service	20%	
	Calls not served		36%
	Calls that were directed to automated service and who hung up within two minutes	19%	
	Calls that received a busy signal	17%	
Accuracy Results	Accuracy of Responses		78%