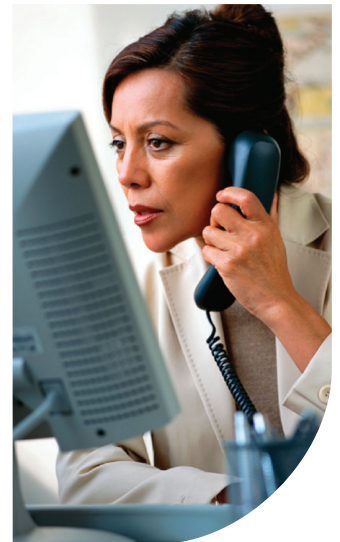
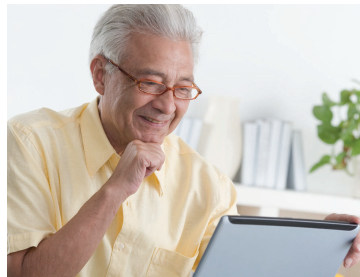


Summary of the Corporate Business Plan 2009-2010 to 2011-2012



RC4422 E RV09



Canada Revenue
Agency

Agence du revenu
du Canada

Canada

Message from the Minister



Each year the Canada Revenue Agency (CRA) administers billions of dollars in tax revenue and distributes timely and accurate benefit payments to millions of Canadians. Since becoming an agency almost ten years ago, the CRA has firmly entrenched itself as a high-performance, national organization with an unparalleled capacity for program delivery.

The CRA remains committed to implementing ambitious initiatives to simplify the tax process for small and medium sized business and to

sustaining the focus on burden reduction in the years to come in a manner consistent with its overall accountability for tax compliance and revenue collection. In addition, responding to feedback from its stakeholders, the CRA is taking concrete steps to improve service to Canadians to ensure that they will be treated in a fair and consistent manner.

The CRA continues to make a difference in the lives of Canadians every day. Our ability to provide a secure, equitable, and responsive tax system will be especially important as Canada enters into a period of economic uncertainty.

The *Summary of the Corporate Business Plan 2009-2010 to 2011-2012* identifies the priorities that the CRA will pursue so that we can continue to provide Canadians with the information and services they need to meet their tax obligations and receive the benefits to which they are entitled.

A handwritten signature in black ink that reads "Jean-Pierre Blackburn". The signature is written in a cursive, flowing style.

The Honourable Jean-Pierre Blackburn, P.C., M.P.
Minister of National Revenue

Mandate

To administer tax, benefit, and other programs on behalf of the Government of Canada and provincial, territorial, and First Nations governments.

“A strong, equitable, and responsive tax administration is the cornerstone of our country’s prosperity and the foundation of our social structure.”

—Jean-Pierre Blackburn



Foreword from the Commissioner



As the Commissioner of the Canada Revenue Agency, I take pride in being a part of such an outstanding public service organization as it approaches its tenth anniversary. Looking back, I am inspired by how far we have come and how much we have accomplished during the past decade. We embarked on a sweeping program of change to inject fresh ideas into the way we operate and provide service to Canadians.

Along the way, we have been recognized for our innovation and our commitment to service excellence, although there remains much left to accomplish together. Indeed, the financial uncertainty that Canada is facing underscores the significance of the work that we do, as well as the importance of serving Canadians to the best of our ability.

We have three overarching objectives for this planning period. Tax integrity remains our core focus and will be advanced by addressing key areas of risk. We will remain at the forefront of service to Canadians by further strengthening our service offerings while working to reduce the administrative cost and burden to our stakeholders. Lastly, our focus on business sustainability is what enables us to maintain our high level of performance as world-class administrators of tax and benefits legislation.

The *Summary of the Corporate Business Plan 2009-2010 to 2011-2012* communicates to Parliament, to Canadians, and to clients, partners, and employees, the strategies that will allow us to meet our objectives.

A handwritten signature in black ink, appearing to read 'William V. Baker', written in a cursive style.

William V. Baker
Commissioner and Chief Executive Officer
Canada Revenue Agency

“Our vision recognizes that Canada is a G8 nation that deserves a world-class tax administration and has established itself as a high-performing organization that sets nothing less than world-class expectations for itself.”

—William V. Baker

Our Vision

The CRA is the model for trusted tax and benefit administration, providing unparalleled service and value to its clients, and offering its employees outstanding career opportunities.

Values

Integrity

Professionalism

Respect

Co-operation





Introduction

Achieving our Vision

A well functioning tax and benefits system is essential to a healthy economy, a sustainable social infrastructure, and a strong democracy.

Since becoming an agency almost 10 years ago, the Canada Revenue Agency (CRA) has established itself as a high-performing organization with an unparalleled capacity for program delivery, and wide-ranging contact with citizens and businesses. We are responsible for administering, assessing, and collecting billions of dollars on behalf of Canadian governments, money that is used to fund federal and provincial/territorial programs and services that contribute directly to the quality of life of all Canadians. As we move into our second decade as an agency, we will continue to explore ways to improve our service to Canadians, while making efficient and responsible use of public funds.

Today's environment demands that the CRA be concerned not only with the excellence of current-day operations but also with our adaptability and sustainability over the longer term. In response, we have established a vision that will guide the priorities we pursue and the investments we make to better serve taxpayers and benefit recipients.

A Model for Trusted Administration

Taxpayers must have confidence in our ability to sustain the integrity of their tax and benefits administration. As Canada's tax system is based on self-assessment and voluntary compliance, maintaining taxpayer trust is essential.

Unparalleled Services and Value to Clients

We will continually explore ways to reduce the administrative burden and overall cost of government for Canadians. The sophistication of our national tax administration infrastructure creates new opportunities for partnerships, eliminates duplication, and enables single-window delivery of tax and benefits services.

Outstanding Career Opportunities

The full potential of the CRA to achieve its vision cannot be realized without knowledgeable staff and top-quality management approaches and systems. In support of this, we will capitalize on our position as a separate employer using staffing principles such as: transparency, representativeness, competency, fairness, efficiency, adaptability, productiveness, and non-partisanship.

Achieving Our Strategic Outcomes

Strategic Outcomes

The CRA's mandate sets out two strategic outcomes that clearly explain our contribution to Canadian society. These outcomes govern the priorities we pursue and the investments we make to support those priorities.

Tax Services

- Taxpayers meet their obligations and Canada's revenue base is protected.

Benefit Programs

- Eligible families and individuals receive timely and correct benefit payments.

The *Summary of the Corporate Business Plan 2009-2010 to 2011-2012* outlines the strategies that will allow us to achieve these outcomes.

Tax Services

Canada's tax system is based on self-assessment and voluntary compliance. Our approach in administering Canada's tax laws relies on our capacity to effectively identify and address compliance risks to protect Canada's revenue base.

In response to ongoing challenges and opportunities, we have identified the following three areas of focus to guide our efforts over the planning period – **tax integrity, strengthening service,** and **business sustainability.**

Tax Integrity

Tax integrity is about making it more difficult to be non-compliant by actively and consistently addressing instances of non-compliance. In an increasingly open and competitive global market, combating harmful tax practices has become more difficult. We must ensure that honest taxpayers do not end up paying for dishonest practices by shouldering a greater share of the tax burden. Our ability to maintain effective communication and information-sharing practices with federal and international stakeholders allows us to quickly respond to emerging compliance threats.

| Our Objective | Our Approach | Outcome |
|------------------------------------|---|--|
| Make it harder to be non-compliant | <ul style="list-style-type: none"> • Undergo a second compliance review process to address risks to Canada's revenue base • Implement our Compliance Communications Strategy to encourage compliance and deter acts of non-compliance • Co-operate with other tax administrations and international organizations to exchange information on cross-border financial transactions • Work closely with other federal government departments, provinces, and territories to improve data and information-sharing arrangements • Maintain a strong international presence to advance protocols and practices to identify and respond to compliance threats, and to assist the work of tax administrations around the world | Influence non-compliant taxpayers to meet their obligations under Canada's tax laws and deter those contemplating non-compliance |

Strengthening Service

We are committed to providing timely and accessible information products and services to assist taxpayers and benefit recipients to comply with their obligations and receive their rightful share of entitlements. Our ability to identify and fully comprehend the service needs of taxpayer segments allows us to develop the most cost-effective solutions.

| Our Objective | Our Approach | Outcome |
|--------------------------|---|---|
| Make it easier to comply | <ul style="list-style-type: none"> Expand and enhance the suite of self-service options so that more people can interact with us in a secure environment for more transactions Maintain the accessibility and effectiveness of our telephone service Tailor our communication and outreach activities to better meet the needs of specific taxpayer groups (seniors, new Canadians, youth, etc.) | Maintain and strengthen current and future compliance |

Business Sustainability

Taxpayers have come to expect a modern and progressive tax administration – one that is continually evolving its programs and services to meet their changing needs. We must ensure that all facets of our organization are appropriately aligned to achieve our mission. Most importantly, we must maintain a sound physical information technology infrastructure to sustain the delivery of our mission-critical programs and services.

| Our Objective | Our Approach | Outcome |
|--|--|--|
| Achieve excellence in program delivery | <ul style="list-style-type: none"> Strengthen our information technology responsiveness and capability Invest in employee development Further strengthen the protection of taxpayer information | The long-term sustainability of our tax administration |

We take the following into consideration when assessing our results against our **Tax Services** strategic outcome:

Macro Indicators

- Trend in changes in personal income reported to the CRA compared with changes to personal income estimated by Statistics Canada
- Trend in changes in net GST/HST collected compared with changes in retail sales and personal expenditures
- Trend in changes in corporate income tax reported to the CRA compared with changes in corporate profits before tax estimated by Statistics Canada
- Trend in changes in net income of unincorporated businesses reported to the CRA compared with changes in net income of unincorporated businesses per Statistics Canada National Accounts estimates

Compliance Measures

| | |
|-------------------------|--|
| Registration compliance | Proportion of Canadian businesses that have registered as required by law to collect the GST/HST |
| Filing compliance | Proportion of the Canadian population who file their returns on time |
| Reporting compliance | Degree to which taxpayers report complete and accurate information |
| Remittance compliance | Proportion of taxpayers who owed taxes and paid the full amount on time |

Benefit Programs

Income security is essential to the economic and social well-being of Canadians. By providing benefits, credits, and other related services, the CRA supports the efforts of governments to assist families and individuals. We support the achievement of our strategic outcome by helping to ensure that benefit recipients have access to timely and accurate information services.

In response to ongoing challenges and opportunities, we have identified the following three areas of focus to guide our efforts over the planning period – **strengthening service**, **benefits validation**, and **maintaining effective relationships**.

Strengthening Service

We recognize that benefits are issued to a wide range of individuals. Every segment of the population must have access to our programs for us to achieve our target of individuals getting all of the benefits and credits that they are entitled to receive.

| Our Objective | Our Approach | Outcome |
|--|--|--|
| Eligible Canadians access the benefits and credits to which they are entitled and benefit recipients receive timely and correct payments | <ul style="list-style-type: none">Focus on handling enquiries and communicating timely and accurate benefits program information to facilitate application and registrationEnhance our electronic service offerings to allow benefit recipients to access their account information on-line and have the flexibility to submit information, make payments, or simply check on the status of their benefit or credit payments. | All eligible individuals apply for benefits and credits and payments are issued on time and calculated correctly |

Benefits Validation

Through our validation efforts we provide information to recipients and create a credible enforcement presence to act as a deterrent to non-compliance. By confirming account data, our reviews find not only recipients who may be overpaid, but also those who have been underpaid. In each case we make all the necessary corrections.

| Our Objective | Our Approach | Outcome |
|---|---|--|
| Benefit recipients meet program obligations | <ul style="list-style-type: none">Inform recipients about their rights and obligationsConfirm account data to ensure payments are based on accurate informationEnsure benefit recipients meet program obligations | Payments are based on accurate information |

Maintaining Effective Relationships

The CRA administers benefit and credit programs on behalf of other government clients. The CRA is chosen by provinces, territories, and other federal departments to access our platform to deliver programs or provide services that respond to their own priorities or requirements.

Our flexibility as an agency and the adaptability of our systems enable us to leverage our delivery infrastructure to administer a range of ongoing and one-time programs on behalf of provinces, territories, and other federal departments.

| Our Objective | Our Approach | Outcome |
|--|---|---|
| Deliver new benefit programs and related services where feasible | <ul style="list-style-type: none"> Work with our government clients to simplify administration, eliminate duplication, and lessen the overall compliance burden, where feasible Work with several jurisdictions to develop an automated benefit application process that will allow parents to apply for child benefits by ticking a box on the child's birth certificate application | Increased number of programs and services delivered |

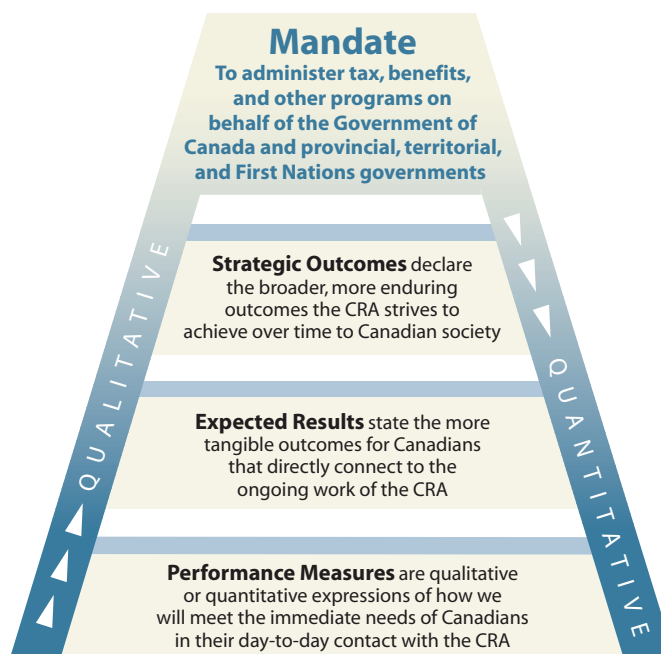
We assess our results against our **Benefit Programs** strategic outcome through the following indicators:

| | |
|--|--|
| Establishing eligibility for benefits | Percentage of potential recipients who receive the Canada Child Tax Benefit (CCTB) (reported after each census) |
| Correct benefit payments | Percentage of CCTB recipients who provide complete and accurate information and receive the proper entitlement CCTB overpayment debt as a percentage of payments issued |
| Timely benefit payments | Percentage of payments received by benefit recipients on time |

Strategic Planning and Reporting Framework

The CRA has in place a process and systems for the selection, development, and ongoing use of performance measures to guide its decision-making. We use qualitative and quantitative indicators to determine the results we achieve.

The illustration on the right demonstrates the hierarchy of measures that we use. We consider that we are meeting our mandate when we are achieving our strategic outcomes. On the next page, we begin the discussion of our strategies and key areas of focus for each program activity over the planning period.



Program Activities

Taxpayer and Business Assistance

Enquiries and Information Services

Trends and Challenges

In pursuing the objectives of this sub-activity, the product and service offerings of the CRA must first and foremost facilitate voluntary compliance by being timely, accurate, and accessible. We work hard to make interactions with taxpayers effective and reduce the overall compliance burden.

Our goal is to provide taxpayers with access to the tools, assistance, and information they need to participate in Canada's self-assessment tax system.

Our Focus

Level of service: Taxpayers expect to access our products and services in a manner that meets their needs. In response, we will work to streamline and simplify their dealings with us.

Innovative channels of communication: The evolution of the Internet, call centre technologies, and channel integration will allow us to provide more innovative and effective self-serve channels of communication for taxpayers, with agent assistance available when needed.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|---|-----------|
| Enhance the suite of self-service options | Conduct analysis on channel demand, use, and integration | 2009-2012 |
| | Target taxpayer population segments through improved navigation, architecture, and content management | 2009-2012 |
| | Enhance authoring tools and business processes | 2009-2010 |
| Optimize the telephone channel | Maintain enhanced caller accessibility | 2009-2010 |
| | Conduct Profile of Enquiries studies | 2009-2012 |
| | Augment the quality assurance program, agent training, and agent tools | 2009-2012 |
| Strengthen outreach | Enhance targeting and customization to address changing demographics and economic trends | 2009-2012 |
| | Increase partnerships and innovate in delivering services | 2009-2012 |
| | Maximize the use of technology | 2009-2012 |

Human Resources Challenges

Our primary challenge is attracting and retaining a flexible part-time workforce to efficiently meet fluctuating program demands. In addition, we must find ways to change our work approaches so that less work is bound by geography.

Our results will be measured by:

- Taxpayers, businesses, and registrants have access to timely and accurate tax information products and services
- Meeting our published external service standards for general enquiries

Legislative Policy and Regulatory Affairs

Trends and Challenges

As the focal point for interaction with the Department of Finance and interpretation of the legislation that the CRA administers, there is an on-going requirement to balance priorities related to new federal budget measures, to establish CRA positions on technical issues, and to undertake proactive policy research and analysis.

Our goal is to clarify the interpretation of the tax laws to protect Canada's revenue base.

Our Focus

Enhancing our efforts to address non-compliance: We will address the challenges of non-compliance by working to enhance the effectiveness of our excise programs. In addition, we will implement a risk-based approach to registered plans. Lastly, we will improve the overall regulatory environment by expanding our collaboration with provincial and territorial governments.

Modernization and enhancement: As part of our strategy to enhance service delivery we will enhance information and outreach for registered plans, modernize and strengthen the charities program, and modernize and improve the CPP/EI rulings program.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|---|-----------|
| Modernize and strengthen the charities program | Develop electronic capabilities to enhance filing of charities information returns | 2010-2011 |
| | Support Canada's national security agenda by continuing to implement the <i>Charities Registration (Security Information) Act</i> | 2009-2010 |
| Modernize and improve the CPP/EI rulings program | Convert requests for rulings from paper to electronic format | 2009-2010 |
| Continue the implementation of a risk-based approach to registered plans | Streamline the registration process using a risk-based approach | 2009-2010 |
| | Enhance outreach and improve information for clients in the deferred income plans sector | 2009-2010 |
| | Develop and implement a suite of systems to improve data accuracy, allow for workload tracking and monitoring, and facilitate statistical reporting | 2009-2010 |
| Implement a new tobacco product stamping regime with covert and overt security features | Enhanced ability to detect counterfeit stamps | 2009-2010 |
| Income Trusts | Issuance of Income Tax Technical News Publications | 2009-2010 |

Human Resources Challenges

Our challenge is to maintain the technical knowledge base required to continue serving as CRA's authority on the interpretation of tax legislation.

Our results will be measured by:

- Non-compliance by organizations and businesses administering and/or producing registered plans, charities, and excise-dutiable products is detected and addressed
- Performance against external service standards, timeliness of CPP/EI rulings, and timeliness of responses to applications for charitable registration

Assessment of Returns and Payment Processing

Trends and Challenges

Our success lies in our ability to harness technology to handle the growth in the volume of transactions. Our capacity to support the CRA's current tax and benefits activities and to sustain value-added services for Canadians is challenged by the need to constantly evolve our information technology (IT) systems' capacity to meet this increased demand.

Our goal is to deliver efficient and effective high-volume processing of individual and business tax returns and payments.

Our Focus

Increased demand for electronic services: Electronic filing and other Internet-based transactions are becoming more popular. Taxpayers expect service options that are fast, convenient, and secure.

Enhancing communication channels: We will enhance our suite of e-services including My Account and My Business Account to meet taxpayers' needs and expectations thereby promoting voluntary compliance. Quality electronic services rely on a solid and reliable infrastructure, therefore we will allocate resources to further support and modernize that infrastructure.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|--|------------|
| Enhance our electronic services | Enhance the My Account, My Business Account, and Represent a client services | 2009-2012 |
| | Promote electronic services | 2009-2012 |
| | Expand the population eligible to file electronically | 2009-2012 |
| Enhance our ability to address non-compliance | Optimize risk assessment capabilities of our compliance programs and opportunities to enhance taxpayer education | 2009-2012 |
| Optimize program efficiency and accurate assessment of tax owed | Enhance system capacity for filing and error detection | 2009-2010 |
| Maintain and enhance effective relationships | Introduce harmonized federal-Ontario corporation tax filing | April 2009 |

Human Resources Challenges

Our ability to provide high-quality, cost-effective service relies heavily on having skilled people in the right places. Consequently we must have effective succession planning to ensure that we have knowledgeable and skilled people in place to support our field operations.

Our results will be measured by:

- Assessment and payment processing are timely and accurate
- Non-compliance is detected and addressed
- Meeting our published external service standards for processing returns and payments as well as responding to taxpayer-requested adjustments

Accounts Receivable and Returns Compliance

Trends and Challenges

The total tax debt has grown over the past several years. Economic slowdowns and difficult times tend to increase compliance risks. The identification, prevention, and correction of non-compliance are key risk areas that continue to be a focus for us.

Our goal is to resolve outstanding debt and ensure that taxpayers comply with their filing, withholding, remitting, and reporting requirements.

Our Focus

Growth in tax debt: The levels of tax debt are influenced by a number of variables, including changing taxpayer compliance patterns, economic stability on an international scale, and a growth in insolvencies. Our focus is to reinforce our collection processes and strategies in order to resolve collection cases on a timely and cost-effective basis.

Addressing non-compliance: Our strategies, processes, and legislative framework are designed to resolve cases on a timely and cost-effective basis, as well as to deter remittance non-compliance. We will focus on enhancing current risk based intelligence approaches to effectively target non-compliance.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|--|-----------|
| Manage the level of tax debt | Develop an initial tactical plan based on a risk-management framework | 2009-2010 |
| | Address inventory growth attributable to reporting non-compliance through active participation in horizontal agency committees | 2009-2010 |
| Maintain and enhance non-filer/non-registrant underground economy identification projects | Increase the emphasis on underground economy identification projects | 2009-2010 |
| Implement the Trust Compliance National (TCN) Inventory | Implement TCN Inventory to enable more effective resolution of cases of employer non-compliance | 2009-2010 |

Human Resources Challenges

As we move forward with implementing new tools and resources, our employees will face the challenges of learning and adapting to new technologies. Our challenge is the timely development of innovative, effective training tools.

Our results will be measured by:

- The timeliness of the resolution of tax debt
- Tax and non-tax debt collection activities are within targeted levels
- Our ability to detect and address non-compliance (including the Non-Filer/Non-Registrant program)
- Meeting our published external service standards for processing taxpayer relief requests

Reporting Compliance

Trends and Challenges

Part of the way we earn the trust of Canadians is by dealing effectively with those who choose to operate outside of the tax system. The use of abusive schemes and transactions, and the underground economy, are particular areas of concern. The activities we undertake to address non-compliance are guided by research, assessing and analyzing current and emerging risks, and focusing our resources on the highest risks.

Our goal is to help protect Canada's tax revenue through a range of verification, audit, and enforcement activities, as well as through education. Our activities focus on the accuracy and completeness with which taxpayers determine their tax liability.

Our Focus

Detecting and addressing non-compliance: We are working to address high-risk areas and will use all available compliance and enforcement tools to address those who do not comply, or those who encourage others not to comply, with Canada's tax laws. We are also enhancing the administration of the Voluntary Disclosures Program.

Compliance tools and processes: We are building our business intelligence through strengthened compliance research and risk assessment techniques. Our Compliance Systems Redesign is a major transformation initiative to expand our capacity to manage and deliver compliance programs.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|--|-----------|
| Address aggressive tax planning | Implement an international tax compliance action plan and inter-provincial tax avoidance and provincial income allocation action plans | 2009-2010 |
| | Enhance risk assessment and identification of high-risk international tax avoidance cases | 2009-2011 |
| Combat the underground economy | Implement and evaluate the results of phase one of the Electronic Suppression of Sales Strategy | 2009-2011 |
| | Continue to implement the Underground Economy Compliance Strategy action plan | 2009-2012 |
| Use communications as a compliance tool | Implement the compliance communications strategy action plan | 2009-2010 |
| Further engage tax intermediaries | Develop and implement specific action plans based on taxpayer segments for engaging tax intermediaries | 2009-2011 |
| SR&ED | Increase the SR&ED program's scientific capacity and improve services to claimants | 2009-2010 |

Human Resources Challenges

We will develop learning tools and training programs to enhance the technical capacity of auditors. Our Compliance Programs Workforce Strategic Plan will guide the recruitment, retention, and knowledge transfer of our workforce.

Our results will be measured by:

- Our ability to detect and address non-compliance
- Meeting our published external service standards for processing SR&ED and video and film tax credit claims, and non-resident Regulation 105 waiver requests

Appeals

Trends and Challenges

In recent years, the CRA has significantly increased its audit of tax avoidance arrangements, particularly gifting shelters, and there has been a corresponding increase in the volume of objections from taxpayers to the resulting reassessments. There has been growth in the number of commodity tax disputes that require resolution. A new workload related to the administration of objections and appeals associated with the Corporate Tax Administration for Ontario initiative is also on the horizon.

Our goal is to resolve disputes between the CRA and taxpayers and benefit recipients through impartial and responsive reviews.

Our Focus

Increased work volumes: We will take steps to minimize the impact of high work volumes on the availability of a timely, efficient, and effective dispute resolution process, which is central to safeguarding taxpayers' trust and confidence in Canada's tax regime.

Strengthen service delivery: Over the planning period, we will review our processes to improve productivity and develop strategies to deal with increasing workloads, while keeping in mind the need to provide a correct decision in all cases. We will support and enhance existing services while also seeking opportunities to add to our online appeals services to meet taxpayer demand.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priority | Deliverables | Dates |
|--|---|-----------|
| Fully integrate the Problem Resolution Program and the CRA Service Complaints initiative | Implement an integration plan and develop a communications strategy to ease the transfer of responsibility for the Problem Resolution Program into the CRA Service Complaints Program | 2009-2010 |
| | Revise tools like publications, internal communications, and manuals to reflect the integration | 2009-2010 |

Human Resources Challenges

Appeals officers are historically recruited from the CRA audit staff. Maintaining our program delivery capacity depends on our ability to deal with the staffing realities which include our ability to attract and retain staff in certain areas of the country and enhancing the career paths of appeals officers. We are developing effective and flexible strategies to recruit and employ available resources to deal with current and projected workloads.

Our results will be measured by:

- The timeliness and impartiality of the reviews of contested decisions
- The consistent administration of service complaints and taxpayer relief provisions
- Meeting our published external service standards for timeliness of our problem resolution program and first contact letters for disputes

Benefit Programs

Trends and Challenges

We recognize that trends in Canadian demographics and economics may have an impact on our programs and our program delivery. As Canada's population ages, we may see an increase in the number of benefit and credit payment recipients.

Our goal is to ensure that eligible families and individuals receive timely and correct benefit payments.

Our Focus

Technology: We face technological challenges to ensuring that our service and program delivery remains reliable and is enhanced as required.

Modernization and enhancement: We are strengthening and modernizing our systems and services to ensure that we issue timely and accurate benefit payments now and in the future. At the same time, we are enhancing communication products and channels to provide our clients easy access to information about our programs.

In response to the challenges and opportunities in our operating environment, our focus over the planning period is to:

| Priorities | Deliverables | Dates |
|---|---|-----------|
| Ensure timely and accurate benefit payments to all eligible individuals | Implement the Corporate Case System for core benefit workflows | 2009-2012 |
| | Improve services for persons with disabilities | 2009-2010 |
| | Strengthen the Individual Identification System governance | 2009-2011 |
| Optimize the Telephone Channel | Maintain enhanced caller accessibility | 2009-2010 |
| Enhance self-service options | Enhance the Apply for Child Benefits option to update child information and update marital status | 2009-2011 |
| | Provide benefit recipients with a new electronic option to pay debts related to benefit programs | 2009-2010 |
| Strengthen outreach | Enhance targeting and customization to address changing demographics and economic trends | 2009-2012 |
| Manage business growth and partnerships | Maintain and enhance the CRA's infrastructure | 2009-2012 |
| | Increase partnerships and innovate in delivery services, where feasible | 2009-2012 |

Human Resource Challenges

Technological advances and changing program demands may influence staffing needs. These potential issues are being addressed to ensure the successful delivery of programs and services in the future.

Our results will be measured by:

- The timeliness, accuracy, and accessibility of information
- The timeliness and accuracy of eligibility determination and payment processing
- Meeting our published external service standards for processing benefit applications, marital status changes, and authorizing or cancelling a representative forms, responding to enquiries, and providing results of validation reviews

Management Priorities

Business Sustainability

The CRA is widely recognized as a highly efficient and robust organization that is entrusted to administer many of the Government's critical income tax and income re-distribution policies. Effective resource management is key to the CRA's success. This requires that our resource base be applied optimally, aligning investments with the strategic direction and priorities of the organization. With a sound information technology strategy, and commitment of the necessary resources, we will ensure that our mission-critical tax and benefit service and compliance program delivery infrastructure is robust and secure.



For us to achieve our mandate and support the achievement of our vision, all internal services must be integrated and contribute to business sustainability. Our priorities over the planning period take into consideration all corporate risks we have identified in our operating environment.

Board of Management Priorities

The following is a summary of the Board of Management's priorities for the period 2009-2010 to 2011-2012, grouped according to the Board's statutory oversight responsibilities. The last category deals with the Board's priorities in terms of its governance.

These priorities form an integral part of the Board's own three-year plan and inform both the work of the Board and its four Committees (Governance, Human Resources, Audit, and Resources) and the priorities in the CRA's Corporate Business Plan.

Organization of the Agency

- Work with senior management in reviewing plans, programs, projects, and achievements as a means of ensuring internal accountability strengths
- Ensure that the Agency has an appropriate and robust accountability structure by continuing to set performance objectives and assess the Commissioner's performance in areas of Board oversight
- Provide input to the performance objectives and assessments of the Chief Financial Officer and the Director General of Corporate Audit and Evaluation

Administration of the Agency

- Provide guidance and input into the development of the Agency's long-term strategy and monitor the progress of its implementation
- Following the Board's first assessment of the Agency's performance against the Board of Management Oversight Framework in early 2008, continue to evolve the Framework and annually assess the Agency using this tool
- Play an active role in ensuring that Enterprise Risk Management is well managed and integrated in all aspects of Agency decision-making

Management of Resources

- Provide oversight and guidance in key Agency initiatives aimed at strengthening financial accountability
- Oversee the introduction of a formalized Agency-wide strategic investment plan to ensure the effective renewal of the Agency's infrastructure, including Information Technology (IT), and continue to monitor major projects and initiatives
- Ensure the Agency has a sound IT strategy and investment plan

Management of Services

- Ensure the Agency has a sound framework for the services it delivers
- Monitor the implementation of the Agency's Service Strategy
- Review reports from the Office of the Taxpayers' Ombudsman and monitor management's responses to service related complaints

Management of Personnel

- Continue to provide oversight and guidance into the development of strategies and policies necessary to attract, develop, retain, and mobilize talented employees, including sound succession planning
- Oversee, review, and approve the Agency's negotiating mandate and collective agreement with the Professional Institute of the Public Service of Canada

Board Governance

The Board will continue to enhance its own governance towards becoming a best-practices Board. To this end, in 2009-2010, the Board will be conducting its third evaluation in as many years; this evaluation will be even more robust than in previous years and will include management input on the Board's overall performance.

Board of Management

Board Membership

The Board of Management of the Canada Revenue Agency comprises 15 members appointed by the Governor in Council. They include the Chair, the Commissioner and Chief Executive Officer, a director nominated by each province, one director nominated by the territories, and two directors nominated by the federal government. Members of the Board bring a private-sector perspective and business approach to management and, in this regard, have been championing a significant agenda for change within the CRA.

The following list shows the Board membership as of February 2009.

Connie I. Roveto, B.A., B.Ed., ICD.D

Chair, Board of Management
President
Cirentity Management
Toronto, Ontario

Camille Belliveau, CFP, FCGA

Executive Director
Groupe EPR Canada Group Inc.
Shediac, New Brunswick

Myles Bourke, B.Comm., FCA

Corporate Director
Chartered Accountant
Lethbridge, Alberta

Raymond Desrochers, B.Comm., CA, CFE

Partner
BDO Dunwoody LLP Chartered Accountants
Winnipeg, Manitoba

Gordon Gillis, B.A., LL.B.

Lawyer/Consultant
Dartmouth, Nova Scotia

André Gingras

Founder and Director
André Gingras et Associés inc.
Montréal, Quebec

Norman Halldorson, B.Comm., FCA

Corporate Director
Clavet, Saskatchewan

Robert J. (Bob) Healey, B.Comm., CFP, FCA

Corporate Director
Chartered Accountant/Management Consultant
St. John's, Newfoundland and Labrador

James J. Hewitt, FCMA

Corporate Director
Penticton, British Columbia

Fauzia Lalani, P.Eng.

Executive Consultant
Calgary, Alberta

Rod Malcolm, CA

Corporate Director
Iqaluit, Nunavut

Patricia J. Mella, B.A., B.Ed., M.A.

Corporate Director
Stratford, Prince Edward Island

James R. Nininger, B.Comm., M.B.A., Ph.D.

Corporate Director
Ottawa, Ontario

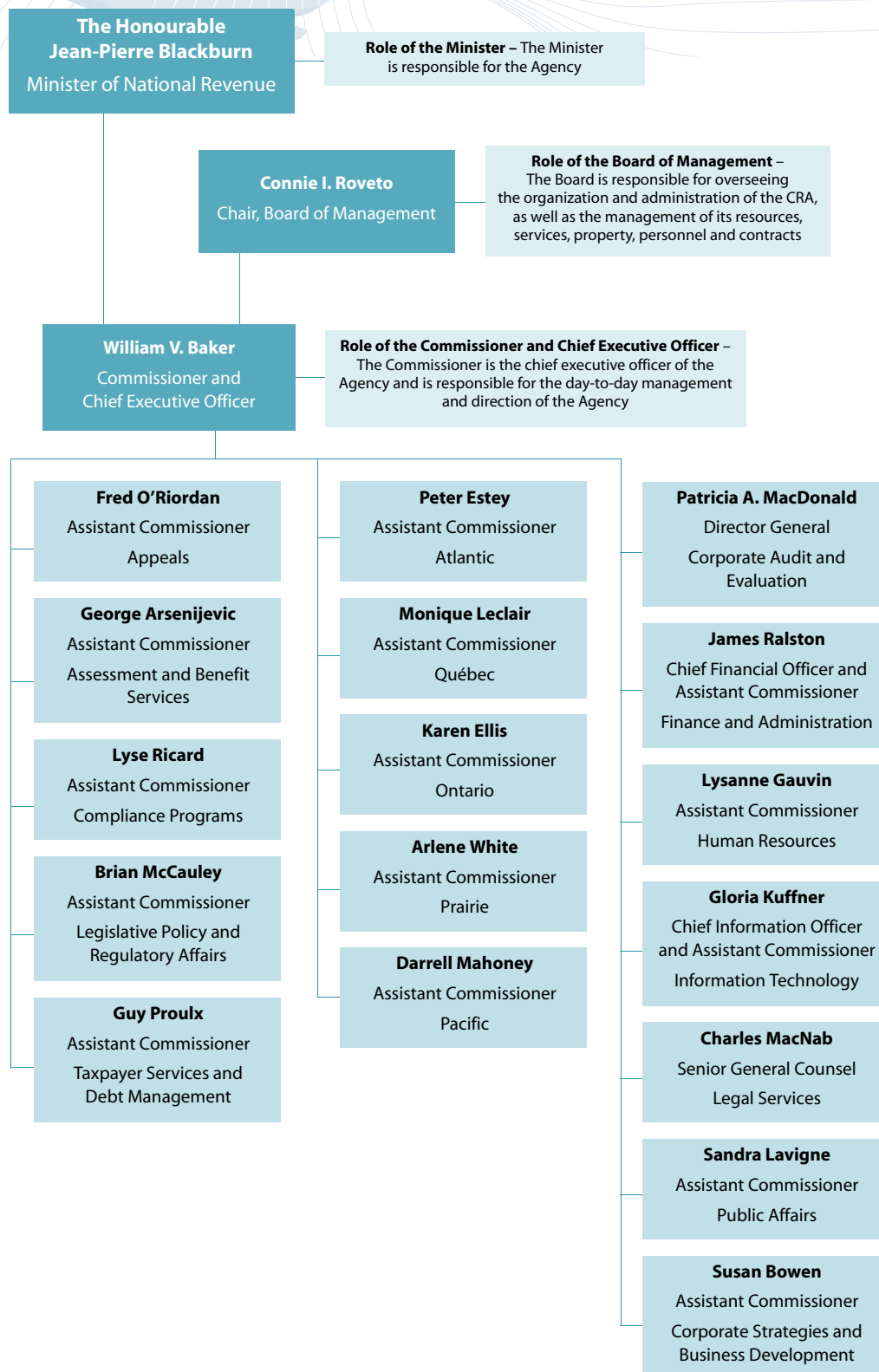
Sylvie Tessier, B.Sc.A., M.B.A., P.Eng., ICD.D

Consulting Director
Sierra Systems
Toronto, Ontario

William V. Baker, B.A., M.A., ICD.D

Commissioner and Chief Executive Officer
Canada Revenue Agency
Ottawa, Ontario

Organizational Structure



As of February 2009

Planned Spending by Strategic Outcome

| (in thousands of dollars) | Forecasted Spending ¹ 2008-2009 | Planned Spending 2009-2010 | Planned Spending 2010-2011 | Planned Spending 2011-2012 |
|---|---|-------------------------------|-------------------------------|-------------------------------|
| Strategic Outcome: Taxpayers meet their obligations and Canada's revenue base is protected | | | | |
| Taxpayer and Business Assistance | 691,584 | 690,626 | 259,831 ² | 257,466 ² |
| Assessment of Returns and Payment Processing | 629,996 | 587,917 | 581,637 | 581,639 |
| Accounts Receivable and Returns Compliance | 449,371 | 429,712 | 423,985 | 423,627 |
| Reporting Compliance | 949,249 | 922,077 | 918,915 | 914,989 |
| Appeals | 117,407 | 126,895 | 127,443 | 123,561 |
| Strategic Outcome: Eligible families and individuals receive timely and correct benefit payments | | | | |
| Benefit Programs | 335,679 | 331,566 | 336,985 | 342,000 |
| Strategic Outcome ³ : Taxpayers and benefit recipients receive an independent and impartial review of their service-related complaints | | | | |
| Taxpayers' Ombudsman | 3,363 | 3,328 | 3,330 | 3,330 |
| The following program activity supports all strategic outcomes within this organization | | | | |
| Internal Services | 1,390,720 | 1,295,854 | 1,290,656 | 1,285,981 |
| Total Agency | 4,567,369 | 4,387,974 | 3,942,782 | 3,932,593 |

¹ The CRA 2008-2009 Estimates are broken down in six program activities only; the forecasted spending amount shown under eight program activities are for comparison purposes only with 2009-2010 through to 2011-2012.

² Excludes forecasted payments to the provinces for the *Softwood Lumber Products Export Charge Act, 2006*, which are unavailable at this time (\$419M in 2008-2009 and \$429M in 2009-2010).

³ In 2009-2010, the CRA introduced a third strategic outcome to account for the newly-created Taxpayers' Ombudsman. Since the Taxpayers' Ombudsman operates at arm's length from the CRA, while still reporting to the Minister of National Revenue, only the budget associated with the Taxpayers' Ombudsman is included in this document.

Transfer Payment Program

| (in thousands of dollars) | Forecasted Spending 2008-2009 | Planned Spending 2009-2010 | Planned Spending 2010-2011 | Planned Spending 2011-2012 |
|---|----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Grants | | | | |
| Children's Special Allowance Payments (CSA) | 219,000 | | | |
| Total Grants | 219,000 | | | |
| Other Types of Transfer Payments | | | | |
| Children's Special Allowance Payments (CSA)* | | 221,000 | 226,000 | 231,000 |
| Payments to Provinces under the <i>Softwood Lumber Products Export Charge Act, 2006</i> | 419,000 | 429,000 | TBD | TBD |
| Total Other Types of Transfer Payments | 419,000 | 650,000 | 226,000 | 231,000 |
| Total Transfer Payments | 638,000 | 650,000 | 226,000 | 231,000 |

* Going forward, the Children's Special Allowance Payments are to be reported as "Other Transfer Payment" which is a transfer payment based on legislation or an arrangement that normally includes a formula or schedule as one element used to determine the expenditure amount.

For supplementary financial information, please visit:
<http://www.cra-arc.gc.ca/gncy/rprts/menu-eng.html>

CRA Staffing Principles

In addition to information on the CRA's objectives and strategies, the *Canada Revenue Agency Act* requires that a statement of our staffing principles be published in the Summary of the Corporate Business Plan.

| CRA Staffing Principles | |
|----------------------------|--|
| Non-partisanship: | The workforce must conduct itself in a manner that is free from political and bureaucratic influence. |
| Representativeness: | The composition of our workforce reflects the available labour market. |
| Competency: | The workforce possesses the attributes required for effective job performance. |
| Fairness: | Staffing decisions are equitable, just and objective. |
| Transparency: | Communications about staffing are open, honest, respectful, timely, and clearly understood. |
| Efficiency: | Staffing processes are planned and conducted with regard to time and cost, and linked to business requirements. |
| Adaptability: | Staffing processes are flexible and responsive to the changing circumstances and to the unique or special needs of the organization. |
| Productiveness: | Results in appointment of the necessary number of competent people for the proper conduct of business. |