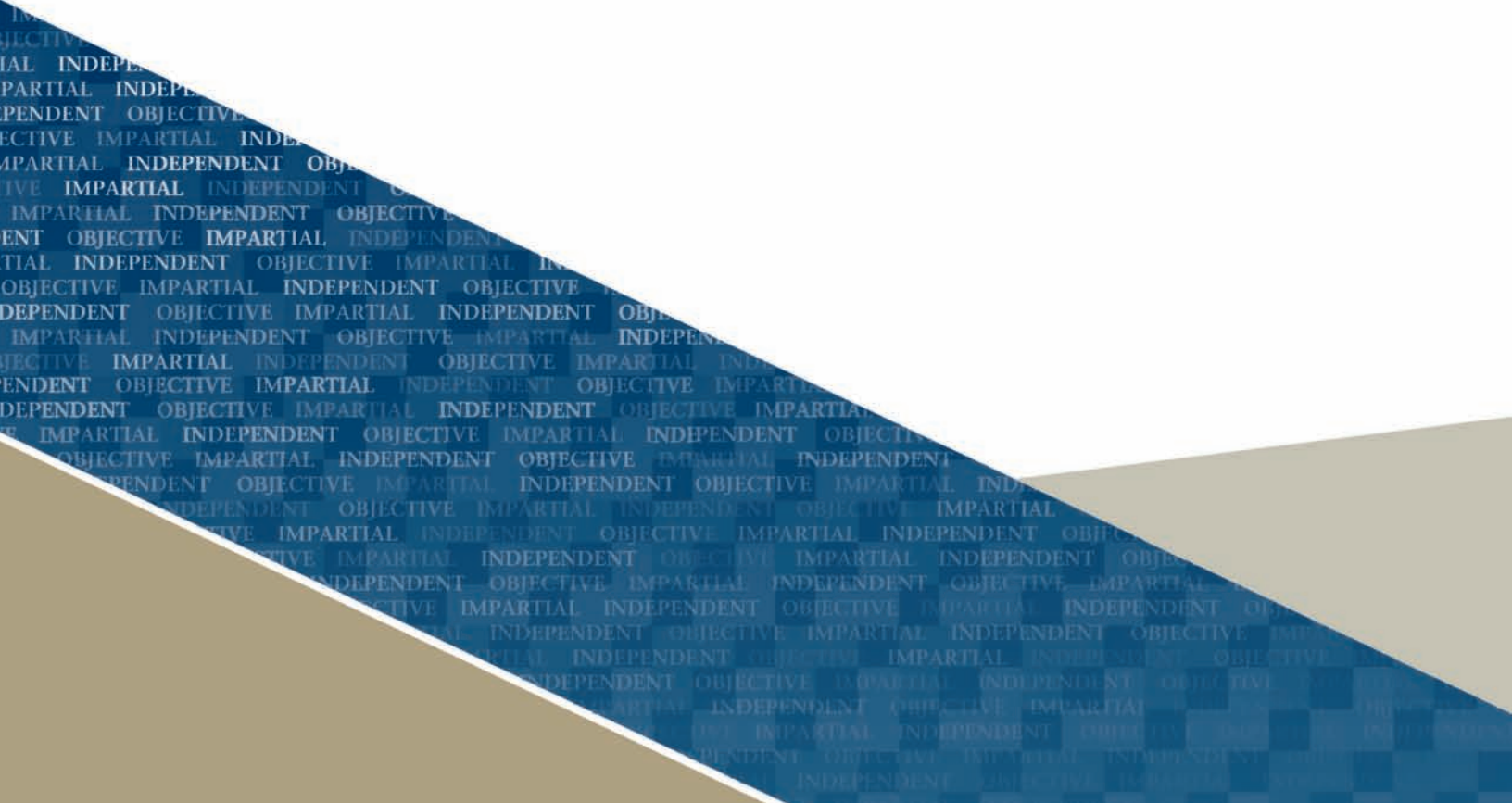


Taxpayers' Ombudsman

Annual Report 2010-2011



Government
of Canada

Gouvernement
du Canada

Canada

Office of the Taxpayers' Ombudsman

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This publication is also available in electronic format at www.oto-boc.gc.ca.

TAXPAYER BILL OF RIGHTS

1. You have the right to receive entitlements and to pay no more and no less than what is required by law.
2. You have the right to service in both official languages.
3. You have the right to privacy and confidentiality.
4. You have the right to a formal review and a subsequent appeal.
5. You have the right to be treated professionally, courteously, and fairly.
6. You have the right to complete, accurate, clear, and timely information.
7. You have the right, as an individual, not to pay income tax amounts in dispute before you have had an impartial review.
8. You have the right to have the law applied consistently.
9. You have the right to lodge a service complaint and to be provided with an explanation of the Canada Revenue Agency's findings.
10. You have the right to have the costs of compliance taken into account when administering tax legislation.
11. You have the right to expect the Canada Revenue Agency to be accountable.
12. You have the right to relief from penalties and interest under tax legislation because of extraordinary circumstances.
13. You have the right to expect the Canada Revenue Agency to publish its service standards and report annually.
14. You have the right to expect the Canada Revenue Agency to warn you about questionable tax schemes in a timely manner.
15. You have the right to be represented by a person of your choice.

October 19, 2011

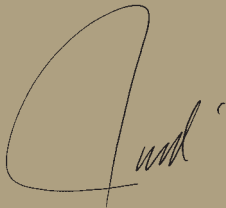
The Honourable Gail Shea, P.C., M.P.
Minister of National Revenue
555 Mackenzie Avenue, 7th floor
Ottawa, ON K1A 0L5

Dear Minister:

I am pleased to submit, for tabling in each House of Parliament, the third Annual Report of the Taxpayers' Ombudsman.

This report provides an overview of the activities and operations of my Office, from April 1, 2010 to March 31, 2011. It highlights our achievements as we assist the Canada Revenue Agency in providing taxpayers with the professional service and fair treatment that they are entitled to.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Paul Dubé', is written over a light blue horizontal line.

J. Paul Dubé, BA, LL.B, J.D.
Taxpayers' Ombudsman

October 19, 2011

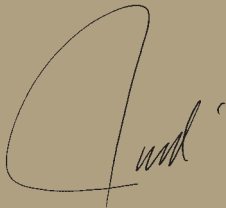
Ms. Susan J. McArthur, B.A.
Chair, Canada Revenue Agency Board of Management
555 Mackenzie Avenue, 7th floor
Ottawa, ON K1A 0L5

Dear Madam Chair:

I am pleased to submit the third Annual Report of the Taxpayers' Ombudsman.

This report provides an overview of our activities and operations from April 1, 2010 to March 31, 2011. I trust that the information contained in this document will assist you in your responsibility to oversee the organization and administration of the Canada Revenue Agency.

Yours truly,

A handwritten signature in black ink, appearing to read "J. Paul Dubé". The signature is stylized with a large, looping initial "J" and a cursive "Dubé".

J. Paul Dubé, BA, LL.B, J.D.
Taxpayers' Ombudsman

Message from the Ombudsman



I am honoured and privileged to have been re-appointed as Canada's Taxpayers' Ombudsman for a new five-year term. In this, my third Annual Report, I am reporting on the activities and accomplishments in 2010-2011 of my Office, which I hope to build on in my second term.

Tax issues can be complicated and not everyone has the knowledge or skills to deal with them. To a large extent, Canadians rely on the Canada Revenue Agency (CRA) for information and services so they are able to fulfill their tax obligations or claim the benefits to which they are entitled.

Dealing with a tax administrator can sometimes be intimidating, especially for taxpayers unaware of their rights as taxpayers. Even taxpayers who feel they have been treated unfairly may not complain to the CRA or invoke their rights.

The role of the Taxpayers' Ombudsman is to help ensure that taxpayers receive the professional service and fair treatment they are entitled to pursuant to the Taxpayer Bill of Rights. We provide taxpayers an impartial review of unresolved complaints about the way they have been served or treated by the CRA.

Since the inception of the Office of the Taxpayers' Ombudsman in 2008, we have assisted thousands of taxpayers with their complaints and enquiries, and brought about significant improvements in the way the CRA serves taxpayers and benefit recipients.

Equally important, we have also identified a number of systemic issues—that is, issues that have the potential to negatively impact large numbers of taxpayers. In the past year we released two special reports, each identifying a specific systemic issue and making recommendations to the Minister of National Revenue on how the CRA could improve its service to, and treatment of, taxpayers.

The first, entitled “The Right to Know,” examined the right of taxpayers to be provided with written reasons for decisions issued by the CRA’s Appeals Branch. I recommended that when the Appeals Branch informs individuals of the outcome of their appeal or objection, it should provide written explanations for the decision. The Minister accepted my recommendation and directed the CRA to implement it.

In December 2010 we released the results of our investigation into systemic issues surrounding proof of eligibility for the Canada Child Tax Benefit (CCTB). Our second special report, entitled “Proving Your Status,” contained a series of recommendations intended to help the CRA improve its administration of the CCTB and to make it easier for Canadians to establish their eligibility for benefits. These recommendations were also accepted by the Minister who directed the CRA to implement them.

Over the past year we continued to build and strengthen relationships with key stakeholders across Canada, all with a view to raising awareness of taxpayers’ rights and the role of my Office. I met with tax professionals and business associations, as well as Members of Parliament and their staff. These meetings provided a valuable opportunity to hear firsthand about their experiences with the CRA, as well as to inform them of the role we play in upholding taxpayer service rights.

I also continued to visit several CRA tax services offices to meet with management and staff and explain my role as well as hear their perspectives on service issues. The CRA employees I have met are genuinely dedicated to providing good service to the public. These visits help my team and me understand the issues they face when serving taxpayers and implementing the CRA’s policies and procedures.

Increasingly, Canadians go online to obtain information about government services. To reach out directly to Canadians we have enhanced our Web site to make information about our office more accessible to all stakeholders and connect with a wider audience.

Every day we are making a real difference in the lives of taxpayers. More and more Canadians are benefiting from an independent and impartial Ombudsman who helps resolve issues of service and fairness, and acts as an agent of positive change. I look forward to building on our track record during my second term.

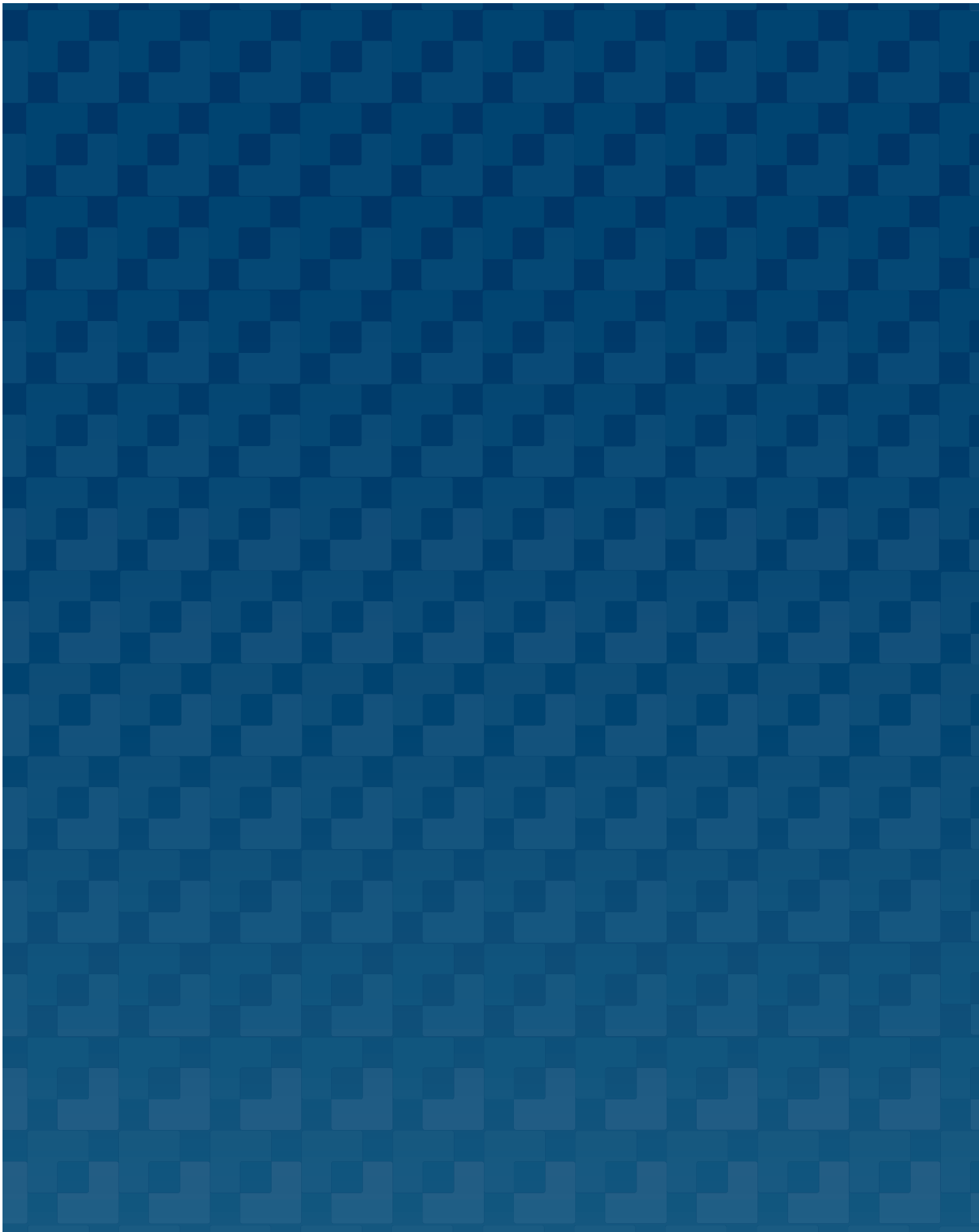


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About the Office of the Taxpayers' Ombudsman

The Canada Revenue Agency (CRA) makes thousands of decisions every day that affect the rights and interests of taxpayers. Any unfair use of its powers or arbitrary decisions on the part of the CRA could have serious consequences for taxpayers and benefit recipients. That is why the role of the Taxpayers' Ombudsman in promoting the fair treatment of taxpayers by the CRA is so crucial.

The Taxpayers' Ombudsman is an independent and impartial officer mandated to investigate complaints from taxpayers and benefit recipients who believe they have been treated unfairly or unprofessionally by the CRA. The Ombudsman and his team, who operate at arm's length from the CRA, also identify and investigate systemic and emerging service-related issues related to CRA programs and processes that may have a negative impact on taxpayers. All of our work is directed at upholding the Taxpayer Bill of Rights and helping the CRA provide the highest level of service to all Canadians.

Our aim is to resolve complaints impartially, informally and quickly. If the complaint is not within our mandate, we will explain why and direct the taxpayer to the appropriate avenue for resolving the matter. The assistance we provide can range from facilitating taxpayer access to the CRA or another government department, to a full investigation by our office.

We cannot override the decisions of the CRA, nor issue directions to its staff. Instead, we resolve disputes through consultation and negotiation, and if necessary, by making formal recommendations to the Minister of National Revenue.

The mission of the Office of the Taxpayers' Ombudsman is to enhance the CRA's accountability in its service to, and treatment of, taxpayers and benefit recipients. This is done through independent and impartial reviews of individual complaints as well as systemic

Taxpayer Defined

A "taxpayer" means a person who, under the program legislation, is liable to pay tax, is eligible to receive an amount as a benefit, or is provided a service by the Canada Revenue Agency.

Order in Council – P.C. 2007-0828

service-related issues. We want to be recognized for our expertise in promoting fairness and for our value in helping the CRA provide the highest level of service to Canadian taxpayers and benefit recipients.

Our office operates on a foundation of guiding principles. We demonstrate our independence by working at arm's length from the CRA. We prove our impartiality by considering the positions and the perspectives of both the taxpayer and the CRA when examining all complaints or systemic issues. We promote fairness by upholding the Taxpayer Bill of Rights. Last, but not least, we demonstrate our commitment to confidentiality by holding all of our communications with those seeking our assistance in the strictest confidence and not disclosing any confidential communications unless given permission to do so.

The achievements of an organization are the results of the combined effort of each individual.

Vince Lombardi

Our Commitment to Service



London Tax Services Office Tour, (from left to right: Taxpayers' Ombudsman, Kamlesh Kumar, Diana Poole, Peter Estey, Lorna Riopelle, Jackie Cleaver, Sean Vlasman) (February 2011, London, ON)

Service standards are an essential tool for effective service delivery. Most federal government organizations publish their service standards and adjust their internal operations accordingly. Service standards help the organization measure and maintain the level of the service they provide.

In addition to helping to ensure that Canadian taxpayers and benefit recipients receive the quality service they are entitled to from the CRA, we ourselves are also committed to providing the best possible service to taxpayers who contact our office for assistance. We fulfill this commitment to service by meeting three key service standards.

1. The Office of the Taxpayers' Ombudsman strives to ensure that phone calls in queue are answered by an agent within three minutes – 95% of the time.
2. The Office of the Taxpayers' Ombudsman will acknowledge receipt of taxpayer contact and/or complaints within 48 hours – 100% of the time.
3. The Office of the Taxpayers' Ombudsman will provide taxpayers with an update on their file every 15 business days – 100% of the time.

Our service standards are a clear statement of the level of performance we strive to provide to Canadians.

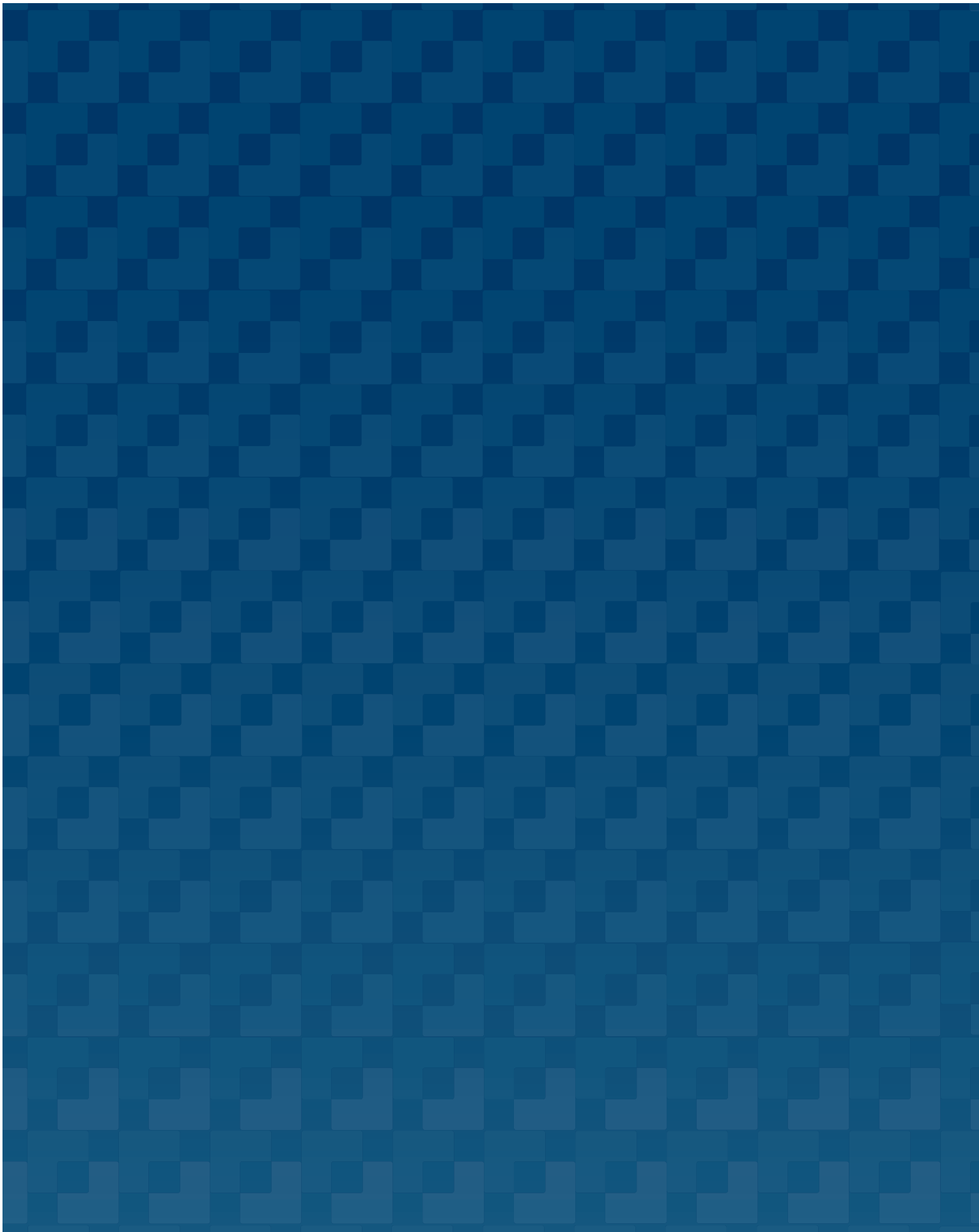
The Eight Service Rights

The Taxpayer Bill of Rights contains fifteen articles that set out what taxpayers are entitled to in their dealings with CRA.

The Taxpayers' Ombudsman is mandated to uphold the eight service articles within the Taxpayer Bill of Rights.

- Article #5 You have the right to be treated professionally, courteously, and fairly.
- Article #6 You have the right to complete, accurate, clear, and timely information.
- Article #9 You have the right to lodge a service complaint and to be provided with an explanation of the Canada Revenue Agency's findings.
- Article #10 You have the right to have the costs of compliance taken into account when administering tax legislation.
- Article #11 You have the right to expect the Canada Revenue Agency to be accountable.
- Article #13 You have the right to expect the Canada Revenue Agency to publish its service standards and report annually.
- Article #14 You have the right to expect the Canada Revenue Agency to warn you about questionable tax schemes in a timely manner.
- Article #15 You have the right to be represented by a person of your choice.

Our Third Year of Operations

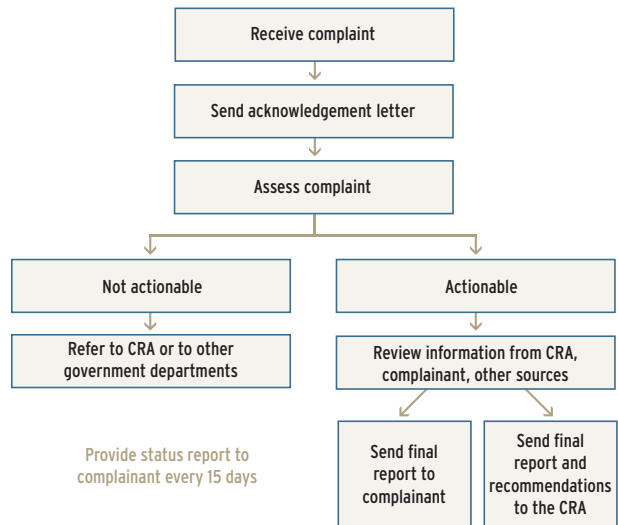


Resolving Complaints

Taxpayers contact the Office of the Taxpayers' Ombudsman for many reasons and we can provide valuable assistance even when not presented with complaints. The Intake Team assists taxpayers by informing them of their rights and helping them access redress mechanisms within the CRA. If a complaint falls within our mandate, we ask the taxpayer to submit a signed complaint form which allows us to obtain information relevant to their complaint from the CRA. The file is then transferred to the Investigation Team for assessment and appropriate action. That may involve a low-level resolution through a Request for Action to the CRA recommending that it take specific action to resolve the taxpayer's complaint. Alternatively, it may involve a Request for Information asking the CRA to provide us with relevant documentation.

The Investigation Team ensures that they have all relevant facts, both from the taxpayer and the CRA. Once all the facts are gathered, the complaint is evaluated. The officers always strive to resolve the complaints as quickly as possible and at the lowest level possible.

Process Map



During the period April 1, 2010 to March 31, 2011, our Office received 5,449 telephone enquiries from taxpayers or their representatives. This is up from 5,330 enquiries over the previous fiscal year and represents an approximate 2.2% increase in the volume of enquiries.

Making a Difference for Taxpayers

Our impartial reviews of unresolved complaints from taxpayers who feel they have not been treated fairly by the CRA have led to significant results for many taxpayers.

We assist them by:

1. conducting impartial and independent reviews of service-related complaints about the CRA and brokering solutions to disputes between taxpayers and the CRA;
2. facilitating taxpayer access to assistance within the CRA and helping them navigate the CRA bureaucracy; and
3. identifying and reviewing systemic and emerging service-related issues within the CRA that have a negative impact on taxpayers and making recommendations to correct systemic problems.

In this way, we also assist the CRA by helping it improve its service to, and treatment of, taxpayers.

Here are a few examples:

Difficulty obtaining Taxpayer Relief

In 1998 a taxpayer unintentionally over-contributed to her Registered Retirement Savings Plan (RRSP) when the funds from her deceased spouse were transferred to her plan. Nine years later the CRA advised her that she was required to pay taxes on the over-contribution, as well as penalties and interest. When she made a request to the CRA to have the tax, penalty, and interest charges waived or cancelled, the request was denied. The taxpayer felt that the letters she received from the CRA were contradictory and did not clearly explain the decision to deny relief. We reviewed the letters and found that they did indeed contain ambiguous and contradictory information.

Our investigation revealed a number of issues. The letters sent to the taxpayer only provided the phone number of a CRA Enquiries line and contained no contact information for an agent familiar with her

case. Unfortunately, the CRA Enquiries line agents were unable to explain the decision to deny relief to the taxpayer. The Ombudsman recommended that the CRA include a direct phone number for the decision-maker on its decision letters to allow taxpayers to obtain clarification, if needed. The CRA agreed with this recommendation and amended their internal procedures.

We also determined that the taxpayer was denied access to the Taxpayer Relief Provisions of the *Income Tax Act* because she did not know how to request it and no one from the CRA pointed out to her the difference between Administrative Relief and Taxpayer Relief. An ‘Administrative Relief’ review only considers a request for the cancellation or waiver of tax. A ‘Taxpayer Relief’ review is a separate review that considers whether cancellation of penalty and interest charges is appropriate in cases of undue hardship, circumstances beyond the control of the taxpayer, or CRA error. In this case, once the review for Administrative Relief was complete, the CRA issued letters advising the taxpayer that no relief of tax would be granted. Yet, despite the taxpayer’s request for the “tax, penalties, and interest to be waived or cancelled,” the request was not considered for Taxpayer Relief, nor was the taxpayer advised that this relief was available.

When our Office raised the issue with the CRA, it responded by granting Taxpayer Relief and cancelling the penalties and interest. The Ombudsman went on to recommend that the CRA revise its Administrative Relief Denial Decision Letter to inform the recipient that it applied only to a request to waive the tax and to provide information on how to request Taxpayer Relief. Further, the Ombudsman recommended that the CRA treat taxpayer requests for relief more broadly and to consider all applicable relief mechanisms. The CRA accepted these recommendations and has made the necessary changes to its operating procedures.

“You were amazing in helping me with the CRA. Thank you so much. The CRA accepted my documentation and is processing my payments. Your help has lifted a huge burden off my shoulders. It has been such a long road for me and I am so happy your Office exists.”

a taxpayer

An outstanding decision

A taxpayer co-signed a business loan for her husband although she was not involved in the business. When her husband declared bankruptcy, the CRA garnished the wife’s income and placed a lien on her house to recover the Goods and Services Tax (GST) and source deductions owed by the business. The CRA considered the wife to be a partner in her husband’s business despite her claims that she was not involved.

The wife went to court and obtained a declaration that she was not her husband’s business partner. Nonetheless, the CRA took the position that the court ruling only applied to the GST debt and that the wife was still responsible for repaying the source deductions.

The wife tried in vain to convince the CRA that the court ruling applied to the source deductions as well as the GST, but to no avail. She eventually contacted our Office for assistance. We suggested that the CRA take another look at the file and reconsider its position, which it did. Upon consultation with the Department of Justice, the CRA eventually agreed that the court ruling applied to the source deductions as well as the GST debt. Shortly thereafter, the CRA removed all liens from the taxpayer’s home and refunded with interest the garnished income.

Financial hardship

A taxpayer contacted us with a complaint that the CRA was causing his family financial hardship by not processing applications for the Disability Tax Credit (DTC) in a timely fashion. The taxpayer informed us that applications on behalf of two of his children were submitted in December 2009, but that by May 2010 he had still not received a response from the CRA.

An urgent Request for Action was sent to the CRA by our office requesting that it contact the taxpayer immediately. The CRA did so and addressed his questions and issues satisfactorily. Both of the DTC applications were approved within the next five business days.

Ombudsman’s intervention results in a manageable payment plan

A taxpayer claimed to have received notification from the CRA that it would garnish the full amount of his pension in payment of a tax debt owing. Although he wanted to pay off the debt with the CRA, the garnishment of the full amount of his pension was causing extreme financial hardship.

The taxpayer said he had contacted the CRA’s Collection Department and tried to negotiate a lower garnishment, but that the CRA was not willing to reduce the amount. Very distraught, the taxpayer contacted our Office feeling that the CRA was not listening or acting fairly. We sent a Request for Action to the CRA asking that the taxpayer’s financial situation be reviewed in detail.

As a result of our intervention, the CRA and the taxpayer were able to come to a fair agreement on a lower garnishment amount that would not have a detrimental effect on the taxpayer’s standard of living.

Wrong address leads to interest charges

A taxpayer alleged that the CRA did not advise him of his tax obligations regarding excess contributions to his Registered Retirement Savings Plan (RRSP), nor did it grant his request for relief of the penalties and interest imposed as a result of the excess contributions. During the course of our investigation we reviewed the correspondence from the CRA to the taxpayer and found it answered his questions adequately and advised him how to obtain further information if required, consistent with the taxpayer's right to clear and timely information.

However, our investigation determined that in February 2008 the CRA keyed the wrong mailing address for notices of assessment sent to the taxpayer with respect to his 2003, 2004, and 2005 tax returns. Further, the final notice dated August 2008 was sent to the wrong address, resulting in the taxpayer not receiving timely information regarding the tax debt until January 2009—eleven months after the assessment notices were issued. Our review also confirmed that the CRA did not provide an acknowledgement of its error to the taxpayer once it was realized. The Ombudsman recommended that the CRA conduct a thorough review of the taxpayer's file to ensure that all relevant information be taken into consideration for Taxpayer Relief. The CRA did review the taxpayer's account and granted relief of a substantial portion of the interest charges.

Proof of marital status

A recently separated taxpayer who advised the CRA of the change in her marital status was informed that the documentation she had provided was insufficient proof of a change of status. As a result, she was denied the Canada Child Tax Benefit (CCTB) and this caused her financial hardship. The taxpayer was unable to obtain clear answers from the CRA about what type of documentation would be accepted as proof of her new marital status. Following an urgent Request for Action from our Office, the CRA contacted the taxpayer and provided an explanation of how she could prove her marital status and entitlement to the CCTB. The CRA later processed her documentation and issued CCTB payments on a priority basis.

Investigating Systemic Issues



Presentation at the Canadian Institute of Chartered Accountants (CICA) National Conference (August 2010, Ottawa, ON)

An important part of the Taxpayers' Ombudsman's mandate is to identify and review systemic and emerging issues related to the CRA's treatment of taxpayers. These reviews allow us to determine if a service or fairness issue has, or could have, a negative impact on large numbers of taxpayers or benefit recipients and should therefore be investigated as a systemic problem. We research such issues thoroughly. Our goal is to provide feasible recommendations on how to correct the problem.

During the fiscal year 2010-2011, we produced two special reports, which contained several recommendations by the Ombudsman to the Minister of National Revenue. We are pleased that all of the recommendations in these reports were accepted by the Minister, and most have already been fully implemented by the CRA.

The Right to Know



At the heart of this systemic enquiry were complaints about the decision letters that communicated the decisions of the CRA's Appeals Branch to taxpayers.

Our research revealed a pattern of decision letters providing only the ultimate decision and citing the relevant rule. They did not, however, provide the reasons why it was made. This was unsatisfactory as it is the explanation of 'why' that lies at the heart of meaningful reasons behind a decision. Without the 'why', information about a decision is not complete, accurate, or clear. Furthermore, the CRA was not being accountable to the taxpayer.

“...We also applaud your recent recommendation as it relates to the right of taxpayers to be provided with reasons for decisions made by the Appeals Branch of the CRA, which was swiftly accepted by Minister Keith Ashfield. This is a good step forward.”

Anthony Ariganello
President and CEO of the Certified General Accountants Association of Canada

We concluded that the use of standard templates to inform taxpayers of decisions, without reference to the key factual foundation that justified the outcome in each particular case, did not live up to the CRA’s commitment to fairness, openness, and accountability. Taxpayers should not have to ask for openness and transparency, nor should explanations be discretionary. They should be routine.

Providing reasons means providing basic information about the decision, including a description of the decision, the authority under which the decision was made, a description of the main steps in the decision-making process, and reference to the main factual basis for the decision.

The Ombudsman recommended that the CRA either provide these reasons in the body of the decision letter to the taxpayer, or institute a policy that the Report on an Appeals or Summary Report is enclosed with every decision letter. The Minister responded by saying that “the recommendation made by the Ombudsman is fair and appropriate...and I am pleased to accept and act on the recommendation in his report.”

Proving Your Status



This systemic enquiry revolved around the difficulties taxpayers were experiencing obtaining clear, accurate and timely information from the CRA about the Canada Child Tax Benefit (CCTB). The CCTB is a non-taxable monthly payment paid by the federal government

to help families with the costs of raising children and is administered by the CRA.

The complaints stemmed largely from the fact that the CRA’s documentation requirements for establishing CCTB eligibility, and the recent changes made to those requirements, were not clear to taxpayers. The Ombudsman recommended that the CRA take steps to make it easier for taxpayers to understand the CCTB eligibility requirements, including the types of supporting documentation that may be required by the taxpayer to prove their eligibility status.

“The recommendations made by the Taxpayers’ Ombudsman in his report, *Proving Your Status*, are fair and appropriate, and our government has directed the Canada Revenue Agency (CRA) to act on every one...”

The Honourable Keith Ashfield
Minister of National Revenue

Building Stakeholder Awareness

A targeted and sustained communications and outreach strategy has enabled the Ombudsman to raise awareness of the Taxpayer Bill of Rights and his role as an independent and impartial officer to whom taxpayers can bring their unresolved complaints about the treatment or service they received from the CRA. Our Communications Unit has played a key role in supporting the Ombudsman's mandate.

By fostering appropriate and productive relationships with key stakeholders, we have been able to leverage information about our Office to hundreds of thousands of taxpayers and benefit recipients. Increased media coverage as well as enhancements to our Web site have extended our reach to millions more.

Outreach

From the inception of the Office, the Ombudsman's continuing engagement with accounting and tax professionals has provided opportunities for dialogue on shared concerns and help them provide better service to their clients. This year, the Ombudsman continued to meet with organizations across Canada, and gathered more valuable information on emerging issues.

The Ombudsman convenes regular meetings of the Taxpayers' Ombudsman's Consultative Committee throughout the year in order to hear directly about current issues and concerns, as well as opportunities for engagement. On the advice of the Committee, the Ombudsman presented this year at a series of information sessions for tax practitioners in Ontario, and gained useful insights into issues of concern.

The CRA itself is also an important stakeholder. This year, the Ombudsman visited CRA tax service offices in Edmonton, Toronto, Hamilton, London, and Kingston. These visits provided valuable opportunities for the Ombudsman to explain his role and to discuss service-related issues with CRA management and staff.

This year, for the first time, our Office was able to provide information to taxpayers through the Community Volunteer Income Tax Program (CVITP). The CVITP is a community-based outreach program in which trained volunteers assist more than 500,000 eligible individuals with the preparation of their income tax and benefit returns through a series of local tax preparation clinics. We distributed more than 35,000 information guides and 6,000 posters to volunteers and tax clinic organizers across Canada.

When Canadians have concerns or complaints about the CRA, they will often turn to their local Member of Parliament (MP) for assistance. This year the Ombudsman presented an information session for MPs and their staff at a seminar hosted by the Library of Parliament. This was a valuable opportunity to raise awareness of our Office among MPs and discuss ways we can provide assistance to elected officials.

To help MPs inform their constituents, we also offered information materials about our Office that could be included in MP mail outs, called 'householders'. Many MPs have used this information, further raising awareness of taxpayer rights among their constituents.

Web

The Ombudsman's Web site continues to be an essential source for information on the Ombudsman's mandate and the services provided by our Office. In 2010-2011, the number of visitors to the site rose by more than 21% over the previous year.

This year we added new features to enhance our Web site. Visitors who choose to subscribe to our Electronic Mailing List will now receive automatic notification of updates to our Web site via email. They may also receive updates through our new RSS feed.

We also explored promotional opportunities by placing information about our Office on Service Canada's Web site.

The Office of the Taxpayers' Ombudsman has a new Web site address: www.oto-boc.gc.ca

Media

Media—including television, print, Web and radio—is another important component to outreach for our Office. With every public announcement comes an opportunity for granting media interviews which further increases public awareness of taxpayer rights

and the role we play. This past year the Ombudsman conducted 58 media interviews with a potential audience of over 800,000 Canadians.

Our goal continues to be providing information to those who benefit from our work—all Canadians. We achieve this by maintaining dialogue with key stakeholders, partnering with other Government of Canada programs and services, and conducting research and monitoring media to gain greater insight into emerging issues.

Speaking Engagements		
Date	Event	Location
June 11, 2010	Library of Parliament - Seminar Program for MPs	Ottawa, ON
June 15, 2010	Certified General Accountants' Association of Alberta Annual Conference	Edmonton, AB
June 17, 2010	H&R Block National Conference	Quebec City, QC
August 5, 2010	Canadian Institute of Chartered Accountants National Conference	Ottawa, ON
September 24, 2010	Registered Public Accountants' Association of Alberta Conference	Canmore, AB
October 20, 2010	Toronto West Tax Practitioners' Seminar	Toronto, ON
October 28, 2010	Forum - Institute of Chartered Accountants of Nova Scotia	Truro, NS
November 3, 2010	Hamilton Tax Practitioners' Seminar	Hamilton, ON
November 10, 2010	St. Catharines Tax Practitioners' Seminar	St. Catharines, ON
January 11, 2011	Etobicoke Chartered Accountants' Association	Etobicoke, ON
February 8, 2011	London Tax Practitioners' Seminar	London, ON
February 15, 2011	Peterborough Tax Practitioners' Seminar	Peterborough, ON
February 16, 2011	Belleville Tax Practitioners' Seminar	Belleville, ON
February 16, 2011	Kingston Tax Practitioners' Seminar	Kingston, ON
February 24, 2011	Canadian Tax Foundation - Ottawa Young Practitioners' Group	Ottawa, ON

Behind the Scenes

Human Resources

Since its inception, the Office has used appropriate resourcing mechanisms to build a permanent and stable team. The Office still has not reached its full-time equivalent base of 34 and we continue our staffing efforts. We have been fortunate to have experienced staff within our office, which has allowed us to streamline and improve our own policies and procedures and rely less on outside professional services.

The success of the Office depends upon the experience, skills and knowledge of the employees who work here. Employee development continues as we invest time and resources into ensuring that employees have the necessary competencies to support organizational success.

Improving Business Operations

In February 2011, we began a review of our internal structure, our work processes, how we engage with stakeholders and our future direction. We are assessing how efficiently we do our work and how we can ensure that our support systems meet our needs. We continue to review and assess these systems to ensure their efficiency and effectiveness and to identify any possible enhancements that would benefit our business operations.

We also continue to update and improve our own procedures and manuals, in order to continue to meet our own service standards and our commitments to taxpayers.

Legislative Obligations

Access to Information

The Office of the Taxpayers' Ombudsman is subject to the legislative requirements of the *Access to Information Act* and the *Privacy Act*. The *Access to Information Act* is based on three main principles:

1. government information should be available to the public;
2. exceptions to the right of access should be limited and specific; and
3. decisions about disclosures should be reviewable independently of government.

The *Privacy Act* protects the privacy of individuals by outlining strong requirements for collecting, keeping, using, disclosing, and disposing of personal information held by government institutions.

During the fiscal period, we received three formal requests and one informal request for information. We responded to these requests within the established thirty (30) day deadline.

Occupational Health and Safety (OHS)

The Office of the Taxpayers' Ombudsman is committed to providing a healthy and safe working environment for its employees, as stipulated in the *Canada Labour Code, Part II*. Each month our OHS committee inspects all or part of the work place, so that the entire work place is inspected at least once each year to ensure a safe working environment. Our Office also has four employees that are first aid attendants. During this fiscal year, we did not have any OHS related issues.

Sustainable Development (SD)

Sustainable development has been defined in many ways, but the most frequently quoted definition is from *Our Common Future*, also known as the Brundtland Report.¹

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

We, therefore, encourage employees to adhere to the principles of sustainable development. We aim to reduce the environmental impact of our operations. Initiatives that have been taken in this regard include:

- Recycling toner cartridges
- Recycling batteries
- Duplex-default printing
- Recycling of moving boxes for office moves

Financial Resources

In 2010-2011, our Office had an operating budget of \$2.794 million. Actual expenditures totaled \$1.986 million, of which \$1.759 million was related to salaries.

Expenditures	2009-2010 (\$000)	2010-2011 (\$000)
Salaries	1,919	1,759
Training and education	53	19
Professional services	119	14
Information technology services	68	31
Travel	52	44
Office equipment	94	24
Printing and publishing	6	38
Telecommunications	31	31
Office expenses	54	26
Total annual operating expenses	2,396	1,986

¹ World Commission on Environment and Development (WCED). *Our common future*. Oxford: Oxford University Press, 1987 p. 43

Appendix – Summary of Files

Files carried over from 2009-2010 (previous fiscal)	194	
Files opened in 2010-2011	1080	
Files reopened	31	
		1305
Files closed in 2010-2011		
Non-mandate (closed after preliminary assessment)	334	
Mandate (resolved)	625	
		959
Investigations		
Files investigated		239
Files carried over to 2011-2012		107

How to Contact Us

There are several ways to reach the Office of the Taxpayers' Ombudsman:

- Call us toll-free at **1-866-586-3839** within Canada and the United States. If you are outside of Canada and the United States, please call us collect at **613-946-2310**. Our office hours are 8:15 a.m. to 4:30 p.m. EST, Monday to Friday (except holidays).
- Complete our complaint form describing your situation and mail or fax it with any supporting documents to:

Office of the Taxpayers' Ombudsman
50 O'Connor Street, Suite 724
Ottawa ON K1P 6L2
Canada

or

Fax: **613-941-6319**

Toll-free fax: **1-866-586-3855**

- Visit **www.oto-boc.gc.ca**
- Visit our Office for a private consultation. Appointments are recommended.