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Electronic T4 Delivery Would Save Employers \$100 Million Annually—at No Cost to Government

Canadian Payroll Association Advocates for Paper and Cost Savings Initiative during Red Tape Awareness Week

Toronto (January 23, 2017) — This week, January 23-27, 2017, the [Canadian Payroll Association](#) (CPA) recognizes the eighth annual Red Tape Awareness Week™, an effort by the Canadian Federation of Independent Business (CFIB) to control federal regulatory red tape on a permanent basis.

While more than 98% of Canadians are paid using technology, paper burden still prevails for Canada's 1.5 million employers, who annually administer nearly 27 million T4s, despite the 84% of Canadians who file their taxes online¹.

“The 2017 Federal Budget offers a great opportunity to provide employers with the legislative change to provide electronic T4s to employees as the standard practice, rather than paper,” says Patrick Culhane, President of the Canadian Payroll Association. “This change would negate the need for distributing and storing millions of paper T4 slips for employees who do not require a paper copy and could provide employers annual savings of over \$100 million.”

This opportunity to reduce red tape using electronic T4 delivery is a win-win for employers and government. A recent Canadian Payroll Association survey showed that 95% of employees prefer or are neutral to receiving T4s electronically. At an estimated cost savings of \$5 per T4, employers could save over \$100 million annually by only issuing paper T4 slips for the remaining employees who request a paper copy – at no cost to the government.

Since Budget 2010, the [Canadian Payroll Association](#) has supported the federal government's paper- and cost-saving initiative that employers filing more than 50 information slips must provide T4s to the Canada Revenue Agency (CRA) using the Internet. This has saved the CRA and the government hundreds of millions of dollars. Employers should be enabled to harness the same efficiencies by distributing the employee's copy of the T4 electronically as the standard delivery method, especially since the government already distributes electronic T4s to its 300,000 employees.

¹ The Canada Revenue Agency.

“In the CPA’s numerous consultations with government representatives during the last six years, we have provided fact-based market research to outline the benefits of e-T4s for all stakeholders,” says Rachel De Grâce, Manager, Advocacy and Legislative Content with the Canadian Payroll Association. “We hope that the government supports this initiative in its 2017 Budget as it will significantly reduce red tape for employers.”

In November 2016, Ministry of National Revenue announced its ongoing efforts to “moderniz[e] its services to meet the needs of Canadians”, with Minister of National Revenue Diane LeBouthillier stating that the CRA would, “improve [its] effectiveness, and strengthen its ability to deliver on the Government of Canada's mandate and better serve Canadians.” The Canadian Payroll Association recommends this sustainable economic step to reduce paper and financial burden for employers, government and employees.

About the Canadian Payroll Association:

Canada’s 1.5 million employers rely on payroll practitioners to ensure the timely and accurate annual payment of \$928 billion in wages and taxable benefits, \$313 billion in statutory remittances to the federal and provincial governments, and \$177 billion in health and retirement benefits, while complying with more than 200 federal and provincial regulatory requirements. Since 1978, the Canadian Payroll Association (CPA) has annually influenced the payroll compliance practices and processes of over five hundred thousand organizational payrolls. As the authoritative source of Canadian payroll compliance knowledge, the CPA promotes payroll compliance through advocacy and education. For more information on the Association’s [Professional Development Seminars](#), [Certification Programs](#), and the [Benefits of Membership](#) visit payroll.ca.

Contact: Alison Rutka, Communications Specialist, alison.rutka@payroll.ca or 416-487-3380 x 125

