

Federal Government Could Save Employers over \$100 Million Annually by Enabling More Efficient Electronic Delivery of T4s... at No Cost to Government

Canadian Payroll Association marks Red Tape Awareness Week with payroll efficiency recommendation

Toronto (January 23, 2015) -- On January 19, 2015, the President of the Treasury Board, Tony Clement, stated one way to mark Red Tape Awareness Week™ is to **control federal regulatory red tape on a permanent basis.**

While more than 95% of Canadians are paid using technology, paper burden still prevails for Canada's 1.5 million employers, who annually administer 26 million T4s, despite the 80% of Canadians who file their taxes online.

"Providing employers with the legislative change to provide electronic T4s to employees as the standard practice, rather than paper, 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," says Patrick Culhane, President of the Canadian Payroll Association.

A recent Canadian Payroll Association survey showed that 84% of employees support receiving T4 slips 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 16% of employees who want a paper copy.

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 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, with a paper copy provided if an employee requests one. “Finance Canada and the CRA have been reviewing this suggestion for four years and it is now time to reduce the paper burden and red tape,” says Rachel De Grâce, Manager, Advocacy and Legislative Content with the Canadian Payroll Association.

As the Canadian Payroll Association had presented to the Red Tape Commission in 2011 and to CRA officials in 2012/2013, this would significantly reduce paper and administrative burden. Since approximately 80% of Canadians file their tax returns electronically with the CRA, there is no need for employers to administer, print, mail and file millions of paper T4 slips for employees who do not request a paper copy.

“Initiating this \$100 million red tape reduction at no cost to the CRA or the Government of Canada is a huge administrative cost saving opportunity for employers who are already filing these slips with government electronically,” said Mr. Culhane.

Canada’s Federal Budget 2014 stated, “The Government continues to seek out common-sense efficiencies to ensure value for taxpayer dollars... by streamlining, simplifying and modernizing.” 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 \$865 billion in wages and taxable benefits, \$290 billion in statutory remittances to the federal and provincial governments, and \$163 billion in health and retirement benefits, while complying with more than 190 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: Patricia Jordan, Communications and Marketing Manager, patricia.jordan@payroll.ca or 416-487-3380 x 111

