

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL
POLICING AND SECURITY PROGRAMS BRANCH
POLICE SERVICES DIVISION
INFORMATION NOTE

PREPARED FOR: Deputy Solicitor General
FOR INFORMATION

ISSUE: RCMP Contract - Historical Cost Share Background

SUGGESTED RESPONSE:

- The federal government is not seeking an increase to the cost sharing percentages in the current negotiations. This is a positive development for provinces, territories and municipalities.

- s.13, s.16, s.17

The provinces and territories will continue discussions with their federal colleagues until they reach consensus.

- Since the existing cost share is likely to remain the same,

s.13, s.16, s.17

BACKGROUND:

- From 1950 to 1966 all provinces and territories (PTs) and municipalities paid 40% across the board for their RCMP forces.
- From 1966 to 1976 all PTs and municipalities paid 50% across the board for their RCMP forces (the increase was phased-in).
- In the seventies the federal government demanded that the PTs and municipalities pay even more for their RCMP forces. The PTs balked at more increases. The negotiations were difficult and resulted in an agreement that was only five years in length, and that introduced two different cost sharing formulas for PTs and municipalities. From 1976 to 1981 PTs paid 56%, while the municipalities paid 56% for the first 5 members and 81% for the remainder (the increases were phased-in). This cost sharing arrangement was more favourable to the small municipalities since the majority of municipalities in Canada had proportionately more members at the 56% rate. Even at that time British Columbia had the bulk of large RCMP municipalities, so British Columbia was impacted the most by this new municipal cost sharing formulae.

- From 1981 to 1992 PTs went from 56% to 70% and the municipalities were divided into two groups by population. The under 15,000 municipalities paid the same cost ratio as the PTs (70%), and the over 15,000 municipalities paid 90% (the increases were phased-in.)
- The PTs agreed to the 15,000 threshold because in 1981 virtually every RCMP-policed municipality in Canada was well under 15,000 population except for those in British Columbia. So with the notable exception of British Columbia, every province was able to maintain a lower rate for their RCMP municipalities. (Note: The federal government wanted a 10,000 pop threshold.) This was a win for most small municipalities—in fact, many experienced a decline in their costs. But it did increase the cost to large municipalities (all of whom were in British Columbia at that time) who basically went from 81% to 90%.
- In 1992

s.16

the cost sharing percentages stayed the same for the 20-year time frame (1992-2012) of the current agreement.

CURRENT STATUS:

- The UBCM continues to put forward requests for cost share reductions for both large and small municipalities that are policed by the RCMP (i.e., 90/10 to 70/30 and 70/30 to 50/50). The rationale is that policing costs are increasing, and local governments cannot afford to pay more given their limited access to revenues. This rationale would also apply to independently policed local governments that currently pay 100% of their policing costs.


s.13, s.16, s.17

- On the other hand, the 70% cost share paid by PTs and small municipalities is supported by a study conducted by Deloitte and Touche in 2004 that analyzed the costs and benefits of contract policing to the federal government.

s.13, s.16, s.17

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HISTORY OF COST SHARING PERCENTAGES
UNDER FIVE SUCCESSIVE RCMP POLICING AGREEMENTS

FEDERAL PROVINCIAL POLICING
AGREEMENTS

FEDERAL MUNICIPAL
POLICING AGREEMENTS

Duration of Agreement	Percentage Share of Contract Costs	
	Provincial	Federal
1953 to 1966	40%	60%
1966 to 1976	50%	50%
1976 to 1981	56%	44%
1981 to 1992	70%	30%
1992 to 2012	70%	30%

Duration of Agreement	Percentage Share of Contract Costs	
	Provincial	Federal
1953 to 1966	40%	60%
1966 to 1976	50%	50%
1976 to 1981: 1st 5 members 6 and over	56% 81%	44% 19%
1981 to 1992: 5,000- 15,000 Over 15,000	70% 90%	30% 10%
1992 to 2012: 5,000- 15,000 Over 15,000	70% 90%	30% 10%

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL
POLICING AND SECURITY PROGRAMS BRANCH
POLICE SERVICES DIVISION
BRIEFING NOTE

PREPARED FOR: Minister Bond and Minister Penner
FOR INFORMATION - March 23, 2011 briefing at 8:30 am

ISSUE: RCMP Contract Negotiation Update

SUGGESTED RESPONSE:

- The RCMP contract negotiations have involved Public Safety Canada, the RCMP, and 8 Provinces and Territories – and impact nearly 200 Municipalities – across Canada. The issues and discussions are understandably complex and time consuming.
- The Provincial/Territorial negotiating team is led by British Columbia, and we feel that great gains have been made in the critical objectives of establishing a new relationship with Public Safety Canada and improving RCMP accountability to local and provincial governments. Given the economic times, cost issues are proving to be the most challenging to negotiate.
- If a new agreement is not achieved by March 2012, the current agreement can be renewed for an additional period on terms that are agreed to by the parties.

BACKGROUND:

- Under the *Police Act*, municipalities with a population of more than 5,000 persons must provide policing by either establishing a municipal police department, by entering into an agreement with another municipality that has a municipal police department, or by entering into an agreement with the Province for the provision of police services by the Provincial Force (the RCMP).
- The current RCMP policing agreements expire in March 2012. There are three RCMP agreements in British Columbia:
 - 1) The Provincial Police Services Agreement (PPSA) is the agreement between the federal and provincial governments for the provision of provincial police services;
 - 2) The Municipal Police Agreement (MPA) is the agreement between the federal and provincial governments for the provision of municipal police services (only BC has this arrangement – other Provinces allow the federal government to contract directly with municipalities); and,

3) The Municipal Police Unit Agreements (MPUAs) are nearly identical agreements between the provincial government and about 60 municipalities for the provision of municipal police services.

- The PPSA is the master agreement – with the exception of some costing arrangements, most provisions in the other agreements mirror the PPSA. For example, municipalities pay 100% of their support staff and accommodation costs, while those items are cost-shared under the PPSA. Essentially, the Province and municipalities with populations between 5K and 15K population pay 70% of their policing costs, while municipalities with more than 15K population pay 90% of their policing costs. The federal government pays the remaining 10% or 30% in recognition of the significant benefits it derives from contract policing. In 2009/10 the cost of the PPSA to the Province was more than \$310M and the cost of the MPUAs to the municipalities was more than \$370M.
- Early on, the P/Ts decided to negotiate as a block and asked BC (ADM Kevin Begg) to lead the P/T negotiating committee, which includes an ADM/Senior Representative from every Province and Territory (P/T) with an RCMP Contract. BC represents more than 40% of the total value of the policing agreements, and so has the largest stake in the process.
- The P/Ts and PSC agreed to a two part negotiation process.
 - 1) Information Sharing - A series of issue based project groups with representatives from each P/T, the RCMP and PSC was organized to collect data, analyze issues, and develop position papers for the negotiations.

s.16
 - 2) Negotiation – “soft” negotiation began in 2009 as the parties tried to agree on wording for two critical articles that would reflect the desired new relationship for the new agreements. The negotiations reached an impasse in the fall of 2010, and Deputy Ministers subsequently became involved. Costs/cost control and the ability of P/Ts to initiate independent audits/evaluations of RCMP services have proven to be the most challenging items.
- Key themes of the negotiation from the P/T perspective are:
 - o Changing the relationship between the contracting partners - from client-based to partnership;
 - o Expanding on the operational and financial accountability mechanisms in the agreement; and,
 - o Cost containment.

s.13, s.16, s.17

- A local government representative (currently Mayor Peter Fassbender, Langley) has been selected by the UBCM to keep municipalities apprised of the negotiations. The local government representative attends the negotiation meetings as an observer and provides the BC Negotiating Team with municipal input/advice gathered through a working group of staff/elected representatives that was established for that purpose by the UBCM.
- At the December 2007 negotiation meeting, the federal representatives indicated that they had secured a mandate from Cabinet to renew the RCMP contract, as well as approval for maintaining the same cost sharing percentages. P/Ts were pleased with this evidence of federal commitment to Contract policing, but reserved comment on the cost-sharing percentages until the composition of the cost base (which elements will be cost shared) has been determined through the negotiation process.

s.13, s.16

CURRENT STATUS:

Progress on the three key themes:

1) Changing the relationship between the contracting partners — from client-based to partnership

- The parties have agreed in principle to the wording for two critical relationship related elements of the new agreements – the Preamble and the role of the Contract *Management* Committee (CMC – formerly Contract Advisory Committee). The wording reflects P/T interests in establishing a more collaborative relationship – a partnership – with PSC and the RCMP.
- The parties have also agreed to an expanded mandate for the CMC and supported by a committee structure that will facilitate timely and meaningful consultation and communication amongst the parties. s.13, s.16

2) Expanding on the operational and financial accountability mechanisms in the agreement

- Negotiations continue regarding the language that will enable audits/program reviews in the new agreements. P/Ts want the option to have independent persons conduct reviews, rather than the RCMP conducting reviews of its own operations.

s.13, s.16, s.17

3) Cost containment

- Several cost items are still under negotiation including accommodations, cadet training and pay & compensation.

s.13, s.16

On March 11, 2011 Deputy Ministers from Alberta and Saskatchewan informed the other P/T Deputy Ministers that they have nearly completed negotiating bi-lateral agreements with PSC outside of the P/T "block" process. The remaining P/Ts are committed to the "block" and wish to continue negotiations to achieve an agreement that is satisfactory to them.

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MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL
POLICING AND SECURITY PROGRAMS BRANCH
POLICE SERVICES DIVISION
BRIEFING NOTE

PREPARED FOR: Minister Shirley Bond, Solicitor General
FOR INFORMATION

ISSUE: RCMP Contract – Alberta Endorses Agreement

SUGGESTED RESPONSE:

- Alberta was apparently satisfied with the terms offered to them by the federal government so they were willing to sign a new contract for RCMP services.
- Alberta has different interests, a different economy and different motivations to sign with the federal government than British Columbia and most other provinces.
- Over 40 per cent of all contract police in Canada are in British Columbia, and half of those members work in large urban areas. Alberta has 20 per cent of all contract police in Canada and their members are largely engaged in rural policing. So we naturally have some different interests, especially when it comes to municipal policing.
- British Columbia has not yet seen Alberta's agreement, s.13
- British Columbia will continue to lead the remaining provinces that are still negotiating with the federal government to achieve their objectives of cost containment, improving accountability and establishing a true partnership with the RCMP that will lead us successfully through the next agreement.

BACKGROUND:

- The process of RCMP contract negotiations began in 2005. Eleven provinces and territories contract with the federal government for RCMP services and represent more than 200 municipalities across Canada at the negotiating table. Until recently, all of those provinces and territories had been negotiating as a block, researching and developing joint/unified positions to present to the federal government.
- British Columbia had been acting as lead negotiator for the ten other provinces and territories that receive RCMP contract police services because it has the largest number of contract policing members in the country (42%) – so it has the biggest financial stake in the negotiations. It also has 61 municipal contracts, 30 of which are with large municipalities that pay 90 per cent of their policing costs. In 2009/10 the cost

of the agreement for provincial police services was more than \$310M and the cost of the municipal police service agreements was more than \$370M. British Columbia will continue its leadership role with the remaining block.

s.16

- On March 23, 2011 the Province of Alberta announced that it had endorsed an agreement, effectively removing it from the block.

s.16

- Saskatchewan has also recently advised Deputy Ministers that it has also been working outside of the block with the federal government and may be willing to sign an agreement s.16 Saskatchewan has 9 per cent of all contract policing members in Canada, and is also home to the RCMP's cadet training facility in Regina (Depot).
- British Columbia has not yet seen the actual Alberta agreement,

s.13, s.16, s.17

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POLICE SERVICES DIVISION
BRIEFING NOTE

PREPARED FOR: Minister Shirley Bond, Solicitor General
FOR INFORMATION

ISSUE: RCMP Contract Negotiation Update

BACKGROUND:

Policing in General:

- Under the Constitution, the administration of justice, which includes policing, is a provincial responsibility. The BC *Police Act* further defines the province's responsibilities: it must provide policing and law enforcement services for rural areas of the province, municipalities with a population of up to 5,000 persons, and municipalities that contract with the minister to engage the provincial force (the RCMP) as their municipal police service. The Provincial Force also provides specialized units and services that operate in all areas of the province. The two main components of BC's RCMP Provincial Force are summarized below:
 - o Detachment Policing provides "local" police services to municipalities under 5,000 population and unincorporated (rural) areas throughout the province by means of uniformed patrols, response-to-call duties, investigative services, community-based policing, and traffic enforcement.
 - o Provincial Police Infrastructure provides the capacity and expertise to resolve high risk incidents; target organized crime, gang violence, and serial crimes; respond to existing and emerging crime trends; and provide security and policing services for large scale community events and emergencies. It includes capital-intensive items such as boats and planes, and the Provincial *Operational Communications Centres* which provide dispatch services to all provincial and municipal police units outside of the Lower Mainland.
- Under BC's *Police Act*, municipalities with a population of more than 5,000 persons must provide policing by establishing a municipal police department, or entering into an agreement with another municipality (with the approval of the Minister) that has a municipal police department, or entering into an agreement with the Province for the provision of municipal police services by the Provincial Force (the RCMP).
- Contracting with the federal government for provision of RCMP Provincial and municipal police services is complex. The RCMP is a federal entity and matters relating to the control, internal management, and administration of the RCMP are exclusively within federal jurisdiction. In addition, the Commissioner of the RCMP,

under the direction of the Federal Minister, has the control and management of the RCMP and all matters connected to the RCMP. As a result, while the Province sets the goals, objectives and priorities for its RCMP Provincial Police Force, and determines the number of members (within safety and other standards set by the Commissioner), Provincial control of RCMP/federal government policies and cost drivers is otherwise very limited.

- Although the Province is responsible for policing within the province, the federal government retains responsibility for law enforcement related to matters such as terrorism/national security, international organized crime, drugs, commercial crime and air carrier protection. Because of the borderless nature of crime and the multi-faceted nature of criminal activity, strictly defined lines between municipal, provincial and federal policing matters are not possible, nor practical. This naturally creates tension around discussions related to police financing, responsibility and accountability.
- The federal government engages in contract policing and pays its 30% or 10% share of the costs because of the considerable benefits it receives, such as seamless cooperation and sharing of intelligence between all levels of policing, maintenance of a federal policing presence across the country to perform federal enforcement duties, a national presence to exert Canada's sovereignty in the north, and a *de facto* national force with the capacity to respond to national emergencies or events that are beyond the policing capacity of provinces, territories, municipalities, or Canada to address on their own.

The RCMP Policing Agreements:

- The current RCMP policing agreements expire March 31, 2012. At the start of the current negotiations, all parties agreed that if a new agreement is not reached prior to that date, the RCMP will continue to provide contract policing services until the negotiations are completed — the current agreement can be renewed for an additional period on terms that are agreed to by the parties. This is not without precedence — in 1991, the agreements were extended for one year. Under the terms of the current agreements, contract policing may also be terminated with two years' notice by either party.
- There are three types of RCMP agreements in British Columbia:
 - 1) The *Provincial Police Services Agreement* (PPSA) is the agreement between the federal and provincial governments for the provision of provincial police services;
 - 2) The *Municipal Police Agreement* (MPA) is the 'master' municipal agreement between the federal and provincial governments setting out the terms under which BC can contract with its municipalities to use the RCMP as their municipal police forces. BC is the only province which has this arrangement — other provinces allow the federal government to contract directly with municipalities); and,

- 3) The Municipal Police Unit Agreements (MPUAs) are between the province and each of the 61 municipalities who currently use the RCMP as their municipal police service.
- The terms of these three agreements are almost identical, but there are some notable differences. For example, under the MPUAs support staff and accommodation costs are excluded from the cost base; however, these items are included and cost-shared under the PPSA. In addition, the Province and municipalities with populations between 5,000 and 15,000 population pay 70% of their policing costs, while municipalities with more than 15,000 population pay 90% of their policing costs. The federal government pays the remaining 30% or 10% respectively in recognition of the benefits it derives from contract policing. It is important to note that the federal cost share is not a "subsidy"; rather, it is payment in recognition of the benefits the federal government receives from contract policing. In 2009/10 the cost of the PPSA to the province was \$315 million and the cost of the MPUAs to the municipalities was \$373 million.

The Negotiations:

- In 2005 the P/Ts decided to negotiate as a block and asked BC (ADM Kevin Begg) to lead the P/T negotiating committee, which includes an ADM/Senior Representative from each of the eleven Provinces and Territories (P/T) with RCMP Contracts. Provincial representatives also represent the more than 200 municipalities across Canada that contract for RCMP municipal police services.
- BC has by far the biggest investment in RCMP contract policing. It has 42% of contract police strength and represents 45% of the total value of all contract police forces in Canada (see Appendix A). In fact, many of BC's municipal forces, such as Surrey and Richmond, are larger than some of the provincial or territorial forces.
- In 2005, the Deputy Ministers from Public Safety Canada (PSC) and from each province and territory agreed to a two part negotiation process: an information sharing phase and a negotiation phase. The ministers from the federal, provincial and territorial jurisdictions subsequently endorsed interest-based negotiations. Below is the status of this two phase negotiation process.
 - 1) *Information Sharing Phase* - A list of issues related to the agreements were identified and issue based project groups with representatives from most P/Ts (some P/Ts did not have the resources to participate in every project group), the RCMP and PSC was organized to collect data, analyze issues, and develop background and position papers for the negotiations. s.16
 - 2) *Negotiation Phase* – "Soft" negotiation began in 2009 as the parties tried to agree on wording for two critical articles (the Preamble and role of the F/P/T Contract Management Committee) that would reflect the desired new relationship for the new agreements. The negotiations reached an impasse in the fall of 2010, and Deputy Ministers subsequently became involved. The cost of the federal proposals, cost containment/control and the ability of

P/Ts to initiate independent audits/evaluations of RCMP services have proven to be the most challenging items.

- On March 23, 2011, Alberta announced that it had reached an agreement in principle with the federal government.

s. 13, s.16, s.17

- Key themes of the negotiation from the P/T perspective are:
 - Changing the relationship between the contracting partners — from client-based to true partnership;
 - Expanding on the operational and financial accountability mechanisms in the agreement; and,
 - Cost containment.

s.13, s.16, s.17

- A local government representative (currently Mayor Peter Fassbender, Langley) has been selected by the UBCM to keep municipalities apprised of the negotiations. The local government representative attends the negotiation meetings as an observer and provides the BC Negotiating Team with municipal input/advice gathered through working groups of staff/elected representatives that were established for that purpose by the UBCM. Key issues for municipalities largely mirror those for the Province – they want improved reporting/planning, local accountability, and cost containment.

s.13, s.16

CURRENT STATUS:

Outstanding items related to the three key themes of the negotiation:

- 1) Changing the relationship between the contracting partners — from client-based to true partnership

s.13, s.16, s.17

- The specific language for the role and mandate of the Contract Management Committee (CMC — formerly the Contract Advisory Committee — made up of ADMs/ senior F/P/T officials from each contract jurisdiction) is not yet confirmed. The parties agreed generally to an expanded mandate for the CMC supported by a committee structure that will facilitate timely and meaningful consultation and communication amongst the parties *before* decisions affecting the governance, cost, quality, or capacity of the police service are made. The proper functioning of this committee is critical to P/Ts having a true partnership relationship and enhanced influence/control over the costs of their police service.

s.13, s.16, s.17

- 2) Expanding on the operational and financial accountability mechanisms in the agreement

- Negotiations continue regarding the language that will enable P/Ts to initiate and conduct *independent* audits/program reviews in the new agreements

s.16, s.17

3) Cost containment

- o The federal government has offered to maintain the current cost share arrangements;

s.13, s.16, s.17

- o P/Ts have not agreed on a proposal to control pay and compensation costs which are the main cost drivers in the contracts. Although PTs have control over the number of members in their force, Canada retains control over RCMP pay, benefits and compensation.

s.16, s.17

P/Ts have been exploring proposals to cap their liability for total compensation at a percentage of salary, or to cap certain high cost benefits and to find efficiencies in the delivery of health services.

s.13, s.16, s.17

- o Equipment (vehicles, closed circuit television, catamarans)

s.16, s.17

The negotiations have sought to improve communication and consultation about the standards, need for and selection of equipment through the enhanced role of the Contract Management Committee.

- o Several cost items are still under negotiation including accommodations and cadet training.

s.16, s.17

s.13, s.16, s.17

BC has 30 large municipalities paying 90% of their costs, Alberta has 10, New Brunswick has 3, and Saskatchewan has 2 (the rest of the MPUAs are at the 70/30 cost share).

s.13, s.16, s.17

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Attachment

Appendix A

RCMP FTE Utilization in Contract Police in 2008/09					
Prov/Terr	P/T Forces	Mun > 15000	Mun < 15000	Total FTEs	Percentage
BC	1,897	2,530	379	4,806	43%
AB	1,402	472	350	2,223	20%
SK	739	52	152	942	8%
MN	622		176	798	7%
NS	749		60	809	7%
NB	546	136	63	744	7%
NL	434			434	4%
NT	180			180	2%
NU	115			115	1%
YK	101			101	1%
PE	102		8	110	1%
Grand Total	6,886	3,190	1,187	11,263	100%

Expenditures on Contract Policing in 2009/10					
Prov/Terr	P/T Forces	Mun > 15000	Mun < 15000	Total Expenditures	Percentage
BC	314,870,109	338,874,733	34,382,465	688,127,308	45%
AB	179,379,243	64,820,359	35,213,421	279,413,023	18%
SK	104,269,143	2,722,571	14,057,455	121,049,168	8%
MN	91,402,992		17,255,108	108,658,100	7%
NS	87,696,236		5,453,365	93,149,601	6%
NB	66,306,748	19,521,194	5,188,011	91,015,953	6%
NL	55,594,014			55,594,014	4%
NT	31,594,102			31,594,102	2%
NU	26,329,060			26,329,060	2%
YK	15,474,749			15,474,749	1%
PE	12,283,162		739,284	13,022,446	1%
Grand Total	985,199,559	425,938,857	112,289,109	1,523,427,524	100%

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL
POLICING AND SECURITY PROGRAMS BRANCH
POLICE SERVICES DIVISION
BRIEFING NOTE

PREPARED FOR: Minister Shirley Bond, Solicitor General
FOR MEETING WITH UBCM COMMUNITY SAFETY COMMITTEE
APRIL 14, 2011

SUGGESTED RESPONSE:

General:

- I appreciate the significant efforts of UBCM in organizing the input of local governments into the Contract Renewal process. I understand that the Local Government Working Group has functioned very well as a consultative group for Kevin Begg, our lead negotiator.
- I especially appreciate the support provided by Murray Dinwoodie, Paul Gill and Mayor Fassbender. I am advised that they have been valuable assets in our negotiations thus far, providing a critical municipal perspective on the issues.
- We share key interests in this negotiation. We all need the new agreements to include mechanisms for greater accountability and cost containment. We also seek to establish a structure that will support a new relationship—a partnership—for managing the Contract into the future. This new partnership approach will be reflected in British Columbia's Provincial-Municipal agreements.

Response to specific requests raised in most recent UBCM Background/Key Messages (attached):

- **Affordability/Cost Containment** – UBCM's Backgrounder indicates that RCMP police service costs are the single largest component of the operating budget, absorbing between 25 and 48% of property taxes, and that recently announced increases related to Superannuation, CPP and new rifles for police vehicles are no longer sustainable.
 - **Request 1** – That the 90/10 cost share be reduced to 70/30 for large municipalities.
 -
- s.13, s.16, s.17
- **Request 2** – That a cap be placed on employer RCMP Superannuation contributions.

- Response – the PT position is to either place a cap on Superannuation, or to negotiate a cap on total compensation.
- **Request 3** – That if CPP contributions increase there be an offset somewhere else in the agreement.
- Response – s.13, s.16, s.17
- **Request 4** – That the RCMP members in British Columbia be able to receive health care under the British Columbia MSP program.
- Response – The federal *Canada Health Act* prohibits the RCMP members from being covered by MSP, s.13, s.16

Partnership

- British Columbia Local governments want to be partners in the management of the Agreement, have meaningful input into decisions and ensure their priorities are given due consideration by other parties.
- **Request 1** – That British Columbia local governments be given a permanent seat on the FPT Contract Management Committee.
- Response – s.13, s.16

Accountability

- Local governments want better consultation on new financial pressures and time to plan.
- **Request 1** – The RCMP introduce new technology that will allow delivery of timely, accurate and understandable information.
- Response – An enhanced reporting and accountability proposal is currently under discussion at the negotiating table s.16
- **Request 2** – That the Contract allow LGs to conduct independent audits on local detachments and receive information on any audits that are carried out at the divisional level.
- Response – PTs also desire the ability to conduct independent audits and are pursuing this issue with Canada. British Columbia will negotiate language that allows the Province to act on behalf of municipalities in initiating reviews/audits.

- **Request 3** – That the contract stipulate that where a detachment's member vacancy rate, including both hard and soft vacancies, grows above 5% that actions must be taken immediately by the RCMP to temporarily reallocate members to that detachment to reduce the rate to below 5%.
- Response – s.16

- **Request 4** – That the contract have specific provisions relative to LGs having ownership of the assets they have paid for—technology, equipment, guns, etc.
- Response – The drafters are aware of this request and will prepare language to support this request.

- **Request 5** – That the contract require that the RCMP introduce on an on-going basis current/innovative management practices (civilianization, human resource management methods) to ensure efficacy of police service delivery.
- Response – s.16

- **Request 6** – That the contract require five year operating and capital plans by detachment.
- Response – Agreement in principle has already been reached on such a provision.

BACKGROUND:

Policing in General:

- Under the Constitution, the administration of justice, which includes policing, is a provincial responsibility. The British Columbia *Police Act* further defines the province's responsibilities: it must provide policing and law enforcement services for rural areas of the province, municipalities with a population of up to 5,000 persons, and municipalities that contract with the minister to engage the provincial force (the RCMP) as their municipal police service. The Provincial Force also provides specialized units and services that operate in all areas of the province. The two main components of British Columbia's RCMP Provincial Force are summarized below:
 - *Detachment Policing* provides 'local' police services to municipalities under 5,000 population and unincorporated (rural) areas throughout the province by means of uniformed patrols, response-to-call duties, investigative services, community-based policing and traffic enforcement.
 - *Provincial Police Infrastructure* provides the capacity and expertise to resolve high risk incidents; target organized crime, gang violence, and serial crimes; respond to existing and emerging crime trends; and provide security and policing services for large scale community events and emergencies. It includes capital-intensive items such as boats and planes, and the Provincial *Operational Communications Centres* which provide dispatch services to all provincial and municipal police units outside of the Lower Mainland.

- Under British Columbia's *Police Act*, municipalities with a population of more than 5,000 persons must provide policing by establishing a municipal police department, or entering into an agreement with another municipality (with the approval of the Minister) that has a municipal police department, or entering into an agreement with the Province for the provision of municipal police services by the Provincial Force (the RCMP).
- Contracting with the federal government for provision of RCMP Provincial and municipal police services is complex. The RCMP is a federal entity and matters relating to the control, internal management, and administration of the RCMP are exclusively within federal jurisdiction. In addition, the Commissioner of the RCMP, under the direction of the Federal Minister, has the control and management of the RCMP and all matters connected to the RCMP. As a result, while the Province sets the goals, objectives and priorities for its RCMP Provincial Police Force, and determines the number of members (within safety and other standards set by the Commissioner), Provincial control of RCMP/federal government policies and cost drivers is otherwise very limited.
- Although the Province is responsible for policing within the province, the federal government retains responsibility for law enforcement related to matters such as terrorism/national security, international organized crime, drugs, commercial crime and air carrier protection. Because of the borderless nature of crime and the multi-faceted nature of criminal activity, strictly defined lines between municipal, provincial and federal policing matters are not possible, nor practical. This naturally creates tension around discussions related to police financing, responsibility and accountability.
- The federal government engages in contract policing and pays its 30% or 10% share of the costs because of the considerable benefits it receives, such as seamless cooperation and sharing of intelligence between all levels of policing, maintenance of a federal policing presence across the country to perform federal enforcement duties, a national presence to exert Canada's sovereignty in the north, and a *de facto* national force with the capacity to respond to national emergencies or events that are beyond the policing capacity of provinces, territories, municipalities or Canada to address on their own.

The RCMP Policing Agreements:

- The current RCMP policing agreements expire March 31, 2012. At the start of the current negotiations, all parties agreed that if a new agreement is not reached prior to that date, the RCMP will continue to provide contract policing services until the negotiations are completed—the current agreement can be renewed for an additional period on terms that are agreed to by the parties. This is not without precedence—in 1991, the agreements were extended for one year. Under the terms of the current agreements, contract policing may also be terminated with two years' notice by either party.

- There are three types of RCMP agreements in British Columbia:
 - 1) The *Provincial Police Services Agreement* (PPSA) is the agreement between the federal and provincial governments for the provision of provincial police services;
 - 2) The *Municipal Police Agreement* (MPA) is the 'master' municipal agreement between the federal and provincial governments setting out the terms under which British Columbia can contract with its municipalities to use the RCMP as their municipal police forces. British Columbia is the only province which has this arrangement — other provinces allow the federal government to contract directly with municipalities); and,
 - 3) The *Municipal Police Unit Agreements* (MPUAs) are between the province and each of the 61 municipalities who currently use the RCMP as their municipal police service.
- The terms of these three agreements are almost identical, but there are some notable differences. For example, under the MPUAs support staff and accommodation costs are excluded from the cost base; however, these items are included and cost-shared under the PPSA. In addition, the Province and municipalities with populations between 5,000 and 15,000 population pay 70% of their policing costs, while municipalities with more than 15,000 population pay 90% of their policing costs. The federal government pays the remaining 30% or 10% respectively in recognition of the benefits it derives from contract policing. It is important to note that the federal cost share is not a "subsidy"; rather, it is payment in recognition of the benefits the federal government receives from contract policing. In 2009/10 the cost of the PPSA to the province was \$315 million and the cost of the MPUAs to the municipalities was \$373 million.

The Negotiations:

- In 2005 the P/Ts decided to negotiate as a block and asked British Columbia (ADM Kevin Begg) to lead the P/T negotiating committee, which includes an ADM/Senior Representative from each of the eleven Provinces and Territories (P/T) with RCMP Contracts. Provincial representatives also represent the more than 200 municipalities across Canada that contract for RCMP municipal police services.
- British Columbia has by far the biggest investment in RCMP contract policing. It has 42% of contract police strength and represents 45% of the total value of all contract police forces in Canada (see Appendix A). In fact, many of British Columbia's municipal forces, such as Surrey and Richmond, are larger than some of the provincial or territorial forces.
- In 2005, the Deputy Ministers from Public Safety Canada (PSC) and from each province and territory agreed to a two part negotiation process: an information sharing phase and a negotiation phase. The ministers from the federal, provincial and territorial jurisdictions subsequently endorsed interest-based negotiations. Below is the status of this two phase negotiation process.

1) *Information Sharing Phase* – A list of issues related to the agreements were identified and issue based project groups with representatives from most P/Ts (some P/Ts did not have the resources to participate in every project group), the RCMP and PSC was organized to collect data, analyze issues, and develop background and position papers for the negotiations. s.16

2) *Negotiation Phase* – “Soft” negotiation began in 2009 as the parties tried to agree on wording for two critical articles (the Preamble and role of the F/P/T Contract Management Committee) that would reflect the desired new relationship for the new agreements. The negotiations reached an impasse in the fall of 2010, and Deputy Ministers subsequently became involved.

s.16

- On March 23, 2011, Alberta announced that it had reached an agreement in principle with the federal government.

s.16

- Key themes of the negotiation from the P/T perspective are:
 - Changing the relationship between the contracting partners—from client-based to true partnership;
 - Expanding on the operational and financial accountability mechanisms in the agreement; and,
 - Cost containment.

-

s.16, s.17

- A local government representative (currently Mayor Peter Fassbender, Langley) has been selected by the UBCM to keep municipalities apprised of the negotiations. The local government representative attends the negotiation meetings as an observer

and provides the British Columbia Negotiating Team with municipal input/advice gathered through working groups of staff/elected representatives that were established for that purpose by the UBCM. Key issues for municipalities largely mirror those for the Province— they want improved reporting/planning, local accountability and cost containment.

s.16, s.17

CURRENT STATUS:

Outstanding items related to the three key themes of the negotiation:

- 1) Changing the relationship between the contracting partners—from client-based to true partnership**

s.12, s.15, s.16

- The specific language for the role and mandate of the Contract Management Committee (CMC—formerly the Contract Advisory Committee—made up of ADMs/ senior F/P/T officials from each contract jurisdiction) is not yet confirmed. The parties agreed generally to an expanded mandate for the CMC supported by a committee structure that will facilitate timely and meaningful consultation and communication amongst the parties **before** decisions affecting the governance, cost, quality, or capacity of the police service are made. The proper functioning of this committee is critical to P/Ts having a true partnership relationship and enhanced influence/control over the costs of their police service.

s.13, s.16, s.17

- 2) Expanding on the operational and financial accountability mechanisms in the agreement**

- Negotiations continue regarding the language that will enable P/Ts to initiate and conduct independent audits/program reviews in the new agreements as

s.13, s.16, s.17

3) Cost containment

- The federal government has offered to maintain the **current cost share** arrangements

s.13, s.16, s.17

- P/Ts have not agreed on a proposal to control **pay and compensation** costs which are the main cost drivers in the contracts. Although PTs have control over the number of members in their force, Canada retains control over RCMP pay, benefits and compensation.

s.16, s.17

P/Ts have been exploring proposals to cap their liability for total compensation at a percentage of salary, or to cap certain high cost benefits and to find efficiencies in the delivery of health services.

s.13, s.16, s.17

s.13, s.16, s.17

- **Equipment** (vehicles, closed circuit television, catamarans) s. 16, s.17
The negotiations have sought to improve communication and consultation about the standards, need for and selection of equipment through the enhanced role of the Contract Management Committee.
- Several cost items are still under negotiation including accommodations and cadet training. s.13, s.16, s.17

○

British Columbia has 30 large municipalities paying 90% of their costs, Alberta has 10, New Brunswick has 3, and Saskatchewan has 2 (the rest of the MPUAs are at the 70/30 cost share). s.13, s.16, s.17

○

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Appendix A

RCMP FTE Utilization in Contract Police in 2008/09					
Prov/Terr	P/T Forces	Mun > 15000	Mun < 15000	Total FTEs	Percentage
BC	1,897	2,530	379	4,806	43%
AB	1,402	472	350	2,223	20%
SK	739	52	152	942	8%
MN	622		176	798	7%
NS	749		60	809	7%
NB	546	136	63	744	7%
NL	434			434	4%
NT	180			180	2%
NU	115			115	1%
YK	101			101	1%
PE	102		8	110	1%
Grand Total	6,886	3,190	1,187	11,263	100%

Expenditures on Contract Policing in 2009/10					
Prov/Terr	P/T Forces	Mun > 15000	Mun < 15000	Total Expenditures	Percentage
BC	314,870,109	338,874,733	34,382,465	688,127,308	45%
AB	179,379,243	64,820,359	35,213,421	279,413,023	18%
SK	104,269,143	2,722,571	14,057,455	121,049,168	8%
MN	91,402,992		17,255,108	108,658,100	7%
NS	87,696,236		5,453,365	93,149,601	6%
NB	66,306,748	19,521,194	5,188,011	91,015,953	6%
NL	55,594,014			55,594,014	4%
NT	31,594,102			31,594,102	2%
NU	26,329,060			26,329,060	2%
YK	15,474,749			15,474,749	1%
PE	12,283,162		739,284	13,022,446	1%
Grand Total	985,199,559	425,938,857	112,289,109	1,523,427,524	100%

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL
POLICING AND SECURITY PROGRAMS BRANCH
POLICE SERVICES DIVISION
BRIEFING NOTE

ISSUE RCMP Contract Renewal Update

SUGGESTED RESPONSE

- The RCMP Contract Negotiations involve Public Safety Canada, the RCMP, and 8 Provinces and Territories – and impact nearly 200 Municipalities - across Canada. The issues and discussions are understandably complex and time consuming. Given the economic times, cost issues are proving to be most challenging to negotiate.
- The Provincial/Territorial negotiating team is led by British Columbia, and we feel that great gains have been made in the critical objectives of establishing a new partnership relationship with Public Safety Canada and improving RCMP accountability to the local and provincial governments.
- If a new agreement is not achieved by March 2012, the current agreement can be renewed for an additional period on terms that are agreed to by the parties.

BACKGROUND

The current provincial and municipal RCMP contracts expire in March 2012.

There are three contracts in British Columbia:

1. the Provincial Police Services Agreement (PPSA) is the agreement for provincial police services between the federal and provincial governments;
2. the Municipal Police Agreement (MPA) is the agreement for municipal police services between the federal and provincial governments (only BC has this arrangement – other Provinces allow the federal government to contract directly with their municipalities); and,
3. the Municipal Police Unit Agreements (MPUAs) are individual police unit agreements between the provincial government and municipalities over 5,000 population that elect to be policed by the RCMP.

The PPSA is the master agreement – with the exception of some costing arrangements, most provisions in the other agreements mirror the PPSA. For example, municipalities pay 100% of their support staff and accommodation costs, while those items are cost-shared under the PPSA.

BC (ADM Kevin Begg) co-chairs the Contract Advisory Committee (CAC) with his counterpart in Public Safety Canada (PSC). Every Province and Territory (P/T) with an RCMP Contract has a seat on the CAC. The RCMP also participates. Contract renewal has necessitated an increase in CAC meetings: the CAC normally met once per year, but is now meeting at least 3 times per year (as well as holding frequent teleconferences) in order to meet the renewal deadline.

Several years ago, the parties agreed to a two part negotiation process.

1. Information Sharing - BC agreed to take the lead in the negotiation process. A series of issue based project groups with representatives from each P/T, the RCMP and PSC was organized to collect data, analyze issues, and develop position papers for the negotiations. s.16
2. Negotiation – “soft” negotiation began in 2009 as the parties tried to find agreed wording for two critical elements of the new agreements – the Preamble and the role of the Contract Advisory Committee. The wording reflects P/T interests in establishing a more collaborative relationship – a partnership - with PSC and the RCMP. The CAC reached an impasse in the Fall of 2010, and Deputy Ministers subsequently became involved in the negotiations.

Key themes of the negotiation from the P/T perspective are:

- Changing the relationship between the contracting partners - from client-based to partnership (this will be reflected in the new Preamble to the agreement);
- Expanding on the operational and financial accountability mechanisms in the agreement; and,
- Cost containment.

A local government representative has been selected by the UBCM to keep municipalities apprised of the contract renewal process (currently Mayor Peter Fassbender, Langley). The local government representative attends the FPT Contract Advisory Committee meetings as an observer and provides the BC Negotiating Team with municipal input gathered through a working group established by the UBCM.

At the December 2007 Contract Advisory Committee meeting, the federal government indicated that it had secured a mandate from Cabinet to renew the RCMP contract, as well as approval for maintaining the same cost sharing percentages. Provinces and Territories were pleased with this evidence of federal commitment to Contract policing, but reserved comment on the cost-sharing percentages until the composition of the cost base has been determined through the negotiation process.

On March 23, 2011, Alberta announced that it had reached an agreement in principle with the federal government. s.16

STATUS

Progress on the three key themes:

- 1) **Changing the relationship between the contracting partners — from client-based to partnership**
 - The parties have agreed in principle to the wording for two critical relationship related elements of the new agreements – s.16, s.17 the role of the Contract Management Committee (formerly CAC). The wording reflects P/T interests in establishing a more collaborative relationship – a partnership – with PSC and the RCMP.
 - The parties have also agreed to an expanded committee structure that will facilitate timely and meaningful consultation amongst the parties.

s.16, s.17

- 2) **Expanding on the operational and financial accountability mechanisms in the agreement**
 - Negotiations continue regarding the language that will enable audits/program reviews in the new agreements. PTs want the option to have independent persons conduct reviews, rather than the RCMP conducting reviews of its own operations.

s.13, s.16, s.17

- 3) **Cost containment**
 - Most cost related issues are still under intense negotiation.

s.13, s.16, s.17

The next PT DM's meeting is scheduled for June 22-23, 2011. The objective is to finalize a draft agreement from a PT perspective at those meetings. PT DMs will meet to review that draft later in June.

Discussions with UBCM and local governments about the Municipal Police Unit Agreements have begun, and negotiations will take place once the PPSA negotiations are completed.

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Pages 32 through 38 redacted for the following reasons:

s.12

s.12, s.13, s.16, s.17

s.12, s.16