

**FINANCIAL MANAGEMENT COMMITTEE**

**TO:**            *MAYOR AND COUNCILLORS*

**SUBJECT: RCMP RETROACTIVE PAY**

**RECOMMENDATION:**

**THAT** staff be authorized to make the RCMP retroactive payments as outlined in the report titled "RCMP Retroactive Pay" dated May 23, 2023.

**REPORT**

The Financial Management Committee, at its meeting held on May 23, 2023, received and adopted the attached report informing Council of the financial impact on the City's budget resulting from the RCMP retroactive pay in the collective agreement between the RCMP and the Government of Canada, and seeking Council approval to make the retroactive payments.

On behalf of the Financial  
Management Committee,

Councillor S. Dhaliwal  
Chair

Councillor A. Gu  
Vice Chair

**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

**DATE:** 2023 Apr 05

**FROM:** GENERAL MANAGER COMMUNITY  
SAFETY

**SUBJECT:** RCMP RETROACTIVE PAY

**PURPOSE:** To inform Council of the financial impact on the City's budget resulting from the RCMP retroactive pay in the collective agreement between the RCMP and the Government of Canada.

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**RECOMMENDATION:**

1. **THAT** Financial Management Committee recommend Council support the payment of the RCMP retroactive pay as outlined in this report.

**REPORT****1.0 INTRODUCTION**

The RCMP provides policing services in Burnaby as a result of the Municipal Police Unit Agreement (MPUA) between Burnaby and the Province of British Columbia. A significant transformational change occurred in the RCMP recently with the ratification of a collective agreement between the National Police Federation (NPF) and the Government of Canada. The NPF is the sole bargaining agent for members of the RCMP and this is the first ever collective agreement in the history of the RCMP. This collective agreement in turn has resulted in a substantial financial impact to Burnaby as part of the MPUA.

The six year agreement was ratified on April 1, 2021 and has just recently expired on March 31, 2023. A key component of this agreement was the inclusion of retroactive pay at the increased salary rates from 2017 to 2021 which the RCMP have determined to be \$11,128,673.21 and invoiced the City for (Attachment 1).

**2.0 BACKGROUND**

This historic first collective agreement between the NPF which is the sole bargaining agent for the RCMP and the Government of Canada, not only resulted in a new labour relations regime for the RCMP but also resulted in significant financial impact to municipalities who utilize the RCMP as their police service.

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 From: General Manager Community Safety  
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The collective agreement included significant base salary increases for RCMP members as well as additional other direct costs associated to base salary such as benefits. Based on the information provided by RCMP E-Division, the City had been budgeting and setting aside funds since 2017 anticipating a salary increase. A compounded rate of 2.5% annually was placed into a City reserve, however as noted in the table below the estimate was woefully inadequate.

Increases	2017	2018	2019	2020	2021	2022	Compounded
Actual	3.28%	3.28%	4.29%	3.53%	3.28%	4.06%	23.77%
RCMP Estimate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	15.97%
Difference	0.78%	0.78%	1.79%	1.03%	0.78%	1.56%	7.80%

Table 1

Immediately upon notification of the terms and conditions of the contract, staff began reviewing and analysing the various impacts placed upon municipalities and in particular, the accuracy and depth of the financial liabilities. Given the subsequent financial liabilities, staff along with other municipalities, commenced intense discussions with the RCMP and Public Safety Canada regarding the retroactive pay. This included staff representation on the Union of British Columbia Municipalities (UBCM) Local Government Contract Management Committee (LGCMC).

Commencing in March of 2022, Public Safety Canada was engaged by over 100 contract jurisdictions and 180 representatives (which included Burnaby) in discussions which asserted that RCMP retroactive pay was not the responsibility of the contract jurisdictions and the Government of Canada must take steps to reduce this undue hardship.

These lobbying efforts initially appeared to be having some traction with federal officials, however unfortunately on March 29, 2023 contract jurisdictions including Burnaby were advised by Public Safety Canada that 2017 to 2021 retroactive pay is the sole responsibility of the contract jurisdictions (Attachment 2). The only concession being offered was that contract jurisdictions may take up to two years (March 31, 2025) to pay the retroactive pay.

### 3.0 RETROACTIVE PAY CALCULATIONS

Although the actual rate increases were higher than initial RCMP estimates, the City did accrue sufficient funds by the 2022 fiscal year end to offset the actual retroactive costs as invoiced by the RCMP per Attachment 1.

Please note that the invoice received from RCMP does not include the Integrated Homicide Investigation Team (IHIT) as this is invoiced under the Province of BC. City staff have confirmed that all retroactive costs associated with IHIT will be absorbed by the

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Province. The Province has indicated this decision to absorb the costs is a one-time situation and that any other future retroactive costs for IHIT will be the responsibility of the City.

In addition, City staff have confirmed with RCMP that the invoice received in March 2023 is the final invoice related to the collective agreement retroactive costs and there will be no subsequent invoices for the City.

#### 4.0 PAYMENT OPTIONS

Senior Management has elected to defer the payment of the retroactive payroll costs by up to a maximum of two years. Deferring the payment is more beneficial to the City as it provides the opportunity for City staff to invest the funds that can generate a return on investments, which can be used to help offset City expenditures.

Specific details and payment terms/schedules during the two year time frame are still to be negotiated and finalized between the City and Public Safety Canada.

Furthermore, it has recently come to the attention of City staff through an UBCM update on April 19, 2023, that UBCM and the Federation of Canadian Municipalities has asked the Federal government to reconsider its decision for municipalities to pay the retroactive costs. Further information will be provided should there be any changes.

#### 5.0 RECOMMENDATION

Financial Management Committee recommend Council support the payment of the RCMP retroactive payments as outlined in this report.

  
Dave Critchley  
GENERAL MANAGER COMMUNITY SAFETY

Attachments: 1) RCMP Retroactive Pay Invoice  
2) Correspondence – Public Safety Canada to Mayor Hurley

Copied to: Deputy Chief Administrative officer & Chief Financial Officer  
Officer in Charge Burnaby RCMP



Royal Canadian  
Mounted Police

Gendarmerie royale  
du Canada

## Attachment 1

CITY OF BURNABY  
Noreen Kassam  
4949 CANADA WAY  
BURNABY, BC  
V5G 1M2

INVOICE - FACTURE	
<b>7005114</b>	
Quote this number on all correspondence Numéro à rappeler dans toute correspondance	
Invoice Date/Date de facturation: 03/31/2023 Due Date/Date D'échéance: 05/15/2023	
Bill To - Facturé à 11024	
Terms of payment - Terms de paiement NET 45 DAYS - DATE OF RECEIPT PAYABLE SOUS 45 JOURS	
For Further information contact: - Pour de plus renseignements communiquer avec: <b>Divisional Representative/Représentant Divisionnaire</b>	
Electronic Funds Transfer Payment Notification to be sent to: Notification de transfert électronique de fonds à envoyer à: <b>PCCRPYMT_NOTIFICATION@rcmp-grc.gc.ca</b>	
Mail Cheque or money order (payable to Receiver General for Canada) to :	Envoyer votre chèque ou mandat (à l'ordred Receveur Général du Canada) à: <b>EXPÉDITEUR</b>
<b>ORIGINATOR</b>	

### ORIGINATOR - EXPÉDITEUR

THE COMMISSIONER  
ROYAL CANADIAN MOUNTED POLICE  
ATTN: CONTRACT POLICING FINANCE  
BLDG M1-2ND FLOOR MAILSTOP 22  
73 LEIKIN DRIVE  
OTTAWA ONTARIO K1A 0R2

DESCRIPTION	Amount/Montant
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NPF Retro Pay Apr 1 2017 # Mar 31 2021	\$ 11,128,673.21
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**Direct Deposit payment for this invoice is to be directed to the following banking information: / Le paiement par dépôts directs pour cette facture doit être adressé à la compte bancaire suivante:**

Bank Number/ Numéro de banque: 815  
Transit Number/ Numéro de transport en commun: 98000  
Beneficiary Name/ Nom du bénéficiaire: 030-25636-RCMP  
Beneficiary Account Number/ Numéro de compte bénéficiaire: 097-038-4  
Description/Description: RCMP invoice #/ # Facture de la GRC

**Please ensure that a payment advice is sent via email to the following email address:/Les clients sont priés d'envoyer un avis de paiement électronique à l'adresse de courriel suivante :**

PCCRPYMT\_NOTIFICATION@rcmp-grc.gc.ca

Intra / N° Intra 0300	GST/HST Number - Numéro de TPS/TVH 121491807	TOTAL: \$ 11,128,673.21
	Reference - Référence GS-753-BC-26	Payable in Canadian Funds Payable en devise Canadienne

Verified Correct - Vérifié Conforme <b>PAUL RICHARDSON</b>	Authorized by - Autorisation par <b>NOOR KASSIF</b>
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Public Safety    Sécurité publique  
Canada            Canada

Senior Assistant    Sous-ministre  
Deputy Minister    adjoint(e) principal(e)

Ottawa, Canada  
K1A 0P8

## Attachment 2

March 29, 2023

His Worship Mike Hurley  
Mayor of Burnaby  
4949 Canada Way  
Burnaby BC V5G 1M2  
**mayor@burnaby.ca**

Dear Mr. Mayor:

I wish to share with you the Government of Canada's decision on the matter of payment of the Royal Canadian Mounted Police (RCMP) prior years retroactive costs for RCMP regular members and reservists.

In August 2021, the signing of the first ever collective agreement with the National Police Federation, the bargaining agent representing the RMCP, resulted in a pay increase that brought RCMP salaries in-line with those of other police services across Canada, a fair and competitive wage for RCMP officers. As you are aware, the Police Service Agreements require contract jurisdictions to pay their share of retroactive salary costs.

From March to June 2022, Public Safety Canada and the RCMP engaged over 100 contract jurisdictions and 180 representatives, including municipal associations to seek their views on the payment of retroactive salary costs. During these engagements, contract jurisdictions requested that the federal government consider remission of these costs, or failing that, provide for flexible payment terms. Public Safety Canada agreed not to invoice contract jurisdictions for retroactive salary costs until the Government of Canada reached a decision on this request. I wish to assure you that Public Safety Canada is grateful for these discussions, and that the comments, concerns and perspectives shared were carefully considered and used to inform consideration of a decision.

The Government of Canada has reached a decision and will offer all contract jurisdictions extended time of up to two (2) years for payment of retroactive salary costs for the period covering 2017 – 2021. This decision recognizes that while contract jurisdictions are required to pay retroactive salary costs as per the Police Service Agreements, the payment terms stipulated in the contracts may not provide sufficient flexibility to pay this one-time, extraordinary retroactive salary cost.

As the decision has now been taken, the RCMP will immediately proceed with invoicing contract jurisdictions by March 31, 2023 for the 2017 - 2021 retroactive salary costs.

Contract jurisdiction wishing to avail themselves of the additional time to pay will be asked to agree to a payment schedule, which will end no later than March 31, 2025. The payment schedule will be annexed to the existing Police Service Agreements or the First Nations Community Policing Services Framework Agreements.

You are requested to complete the attached Confirmation of Intent document to indicate whether your contract jurisdiction will seek an extended payment schedule, and return it to [ps.cmcsec-cgesec.sp@ps-sp.gc.ca](mailto:ps.cmcsec-cgesec.sp@ps-sp.gc.ca) by April 15, 2023.

I appreciate your ongoing collaboration. For further information, please feel free to contact Public Safety officials at [ps.cmcsec-cgesec.sp@ps-sp.gc.ca](mailto:ps.cmcsec-cgesec.sp@ps-sp.gc.ca).

Yours sincerely,



Talal Dakalbab  
Senior Assistant Deputy Minister  
Public Safety Canada

c.c.: The Honourable Marco Mendicino, P.C., M.P.  
Minister of Public Safety

Shawn Tupper  
Deputy Minister  
Public Safety Canada

Michael Duheme  
Commissioner of the Royal Canadian Mounted Police  
Royal Canadian Mounted Police

Samantha Hazen  
Chief Financial Officer  
Royal Canadian Mounted Police

Glen Lewis  
Assistant Deputy Minister & Director of Police Services  
Policing and Security Branch  
Ministry of Public Safety and Solicitor General



**Confirmation of Intent**

Please complete and return to [ps.cmcsec-cgesec.sp@ps-sp.gc.ca](mailto:ps.cmcsec-cgesec.sp@ps-sp.gc.ca) by April 15, 2023.

Province or Municipal Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Do you wish to avail yourself of the extended repayment schedule of the prior year retroactive cost?

- Yes, we wish to use the extended repayment schedule.
- No, we will pay in accordance with the Policing Agreements (listed above) timelines.

Additional Comments:

Signature: \_\_\_\_\_