

March 30, 2023

Federal Budget 2023 Includes RCMP Retroactive Pay Decision

The Government of Canada will not absorb retroactive policing costs for RCMP officers in municipalities

In 2021, the National Police Federation and Government of Canada [negotiated a collective agreement](#) for RCMP officers that includes substantial retroactive pay increases dating back to April 1, 2017. This decision has significant direct impacts on municipalities with RCMP contracts through the Municipal Police Service Agreement. It is likely to also impact municipalities that receive policing under the Provincial Police Service Agreement (PPSA) as the Government of Alberta will be required to absorb retroactive costs under the PPSA. These costs were negotiated without municipalities being properly consulted, despite the direct local impacts.

Since the contract was announced, the RMA, the Federation of Canadian Municipalities (FCM), and other provincial/territorial associations across Canada [have advocated](#) to the Government of Canada to absorb retroactive costs associated with the contract. Unfortunately, the recently released [federal budget](#) did not include a federal commitment to absorb the costs of the RCMP retroactive pay decision. Instead, it provided municipal policing contract holders with a two-year extension to pay retroactive costs. While the budget item did not specify whether the extension would be applied to provinces with PPSAs, it implies that the Government of Alberta will bear the responsibility for these retroactive costs. This carries a high risk that the costs could be downloaded onto municipalities that receive policing through the PPSA through changes to the police funding model.

Municipalities should be properly consulted prior to the implementation of measures that affect local fiscal sustainability and the ability to maintain effective levels of police service in communities.

The RMA plans to continue to engage with FCM and the Government of Alberta to better understand how this decision will impact PPSA municipalities.

The full budget has been released on the [Government of Canada's website](#).

FCM has [released a statement](#) expressing their disappointment with the federal government's decision.

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