



➤ Policing Costs in Ontario:
How to Back Away from a Breaking Point

IMFG Graduate Fellow Presentation
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Key Takeaways

- Police costs are growing
- Interest Arbitration reform is a dead end
- Civilianization is a proven way to control costs
- Further cost control requires better measurement tools

Presentation Outline

- Police cost growth and its impacts
- Cost drivers
- Two potential solutions
- Measuring police outputs

Arbitrated contracts negatively impacting cities: CAO

“Big 12” Police Services Boards Call for Arbitration Fix

Police budget request of \$158M is largest in history of force; salaries keep going up

Police and cities face off over pay

London police salaries shock U.S. counterparts

Toronto’s police contract is too generous:
Editorial

The Spectator's View: Police budget process lacks transparency

Outline

Cost
Growth

Growth
Factors

Arbitration

Job Roles

Measuring

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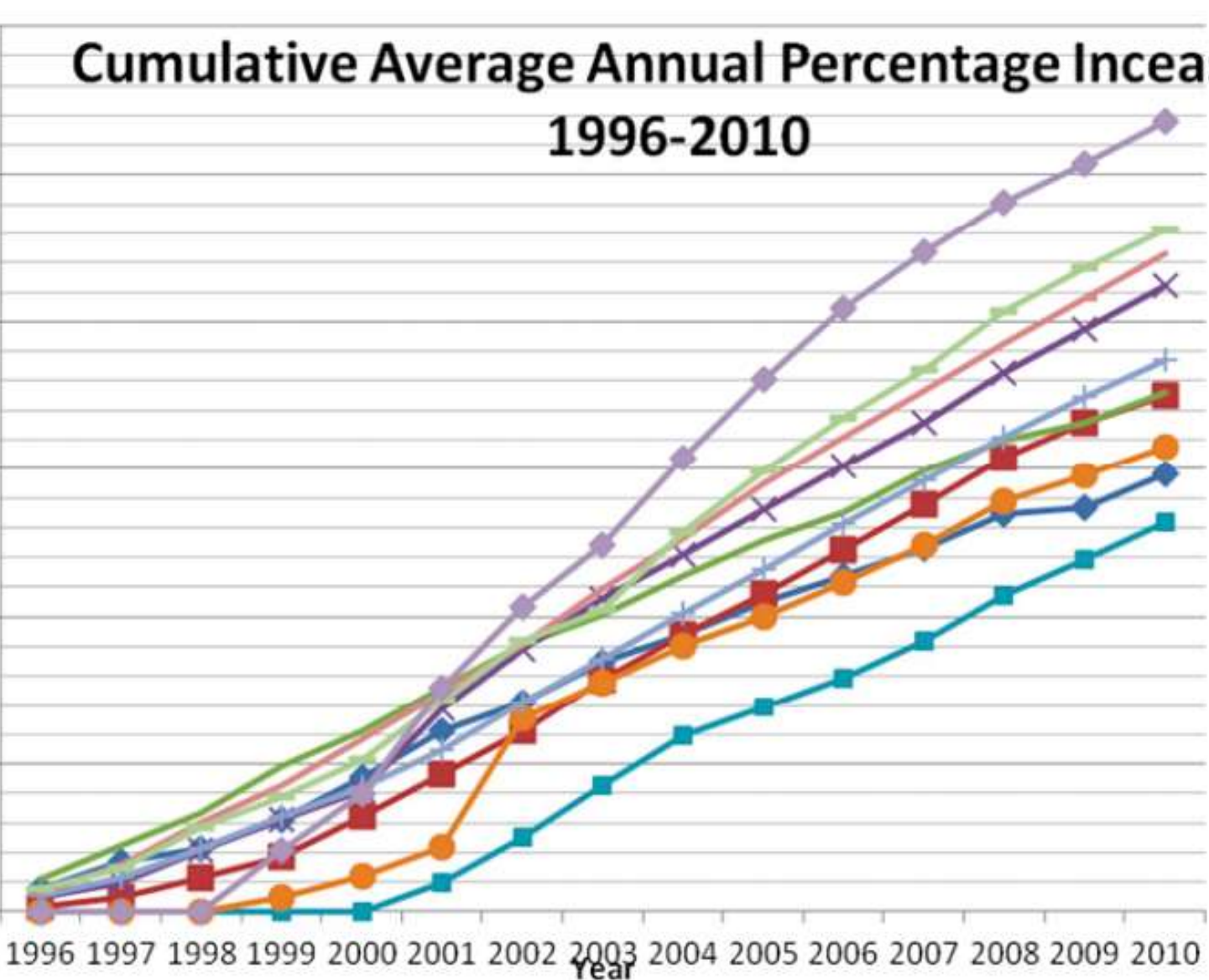
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Cumulative Average Annual Percentage Increases 1996-2010

Cumulative Percentage Increase



- ◆ CPI
- Public
- Private
- × RN
- Teacher
- OPSEU
- CUPE
- Police
- Fire
- ◆ EMS

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Cost Growth

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Ontario police cumulative percentage wage growth over various comparators, 2005-2010

CPI	77%
OPS average wage growth	43%
CUPE wage growth	11%
Public sector average wage growth	19%

Impact of cost growth

- Policing costs are borne by municipalities
- Groups calling for action:
 - Canadian Association of Police Boards
 - Canadian Association of Chiefs of Police
 - Federation of Canadian Municipalities
 - Association of Municipalities of Ontario
- And yet, no legislative changes?

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Internal cost drivers

- Greater public expectations for police services
 - Visibility
 - Proactive policing
 - Increased public order calls
 - Shifting role of police
- Greater complexity in police services
 - Accountability and transparency
 - New types of crime
 - Supporting the court system

External cost driver

- Leapfrog effect:

“an across the board wage increase [...] equal to the percentage increase required to raise the salary rate of a first class constable to the highest first class constable base rate in Ontario in effect on that date.”

-OPP 2014 collective agreement

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Which drivers to address?

- The leapfrog effect is obvious... and shocking
- Internal cost drivers have been left out of the discussion
- As a result, we don't know their magnitude
 - ...but preliminary evidence shows big impacts

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Proposed solutions

1. Reforming Interest Arbitration
2. Civilianizing job roles

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Solution 1: Reforming Interest Arbitration

- What is Interest Arbitration?
- “Ability to pay”
- It’s a binary argument

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Arbitrator Requirements

Article 122(5) of the Police Services Act requires that arbitrators, in reaching their decisions, consider at a minimum:

- ***The employers' ability to pay in light of its fiscal situation***
- The extent to which services may have to be reduced, in light of the decision or award, if current funding and taxation are not increased
- The economic situation in Ontario and the municipality
- ***A comparison, as between the employees and other comparable employees in the public and private sectors, of the terms and conditions of employment and the nature of the work performed***
- The employer's ability to attract and retain qualified employees
- The interest and welfare of the community served by the police force
- Any local factors affecting the community

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“Arbitrators do not and should not cap wages based on assertions that a municipality can’t pay without **demonstrable evidence** based on the current legislative criteria.”

Police Association of Ontario, 2013

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Better define a municipality's capacity to pay based on **Fiscal Health** indicators, such as:

- ✓ Total property tax assessment
- ✓ Property tax assessment per household
- ✓ Ratio of residential, commercial and industrial properties
- ✓ Actual tax revenues
- ✓ Proportion of unpaid property taxes
- ✓ Rates of employment/unemployment
- ✓ Social service caseload
- ✓ Median household income
- ✓ Proportion of low-income households
- ✓ Compensation of other municipal employees in the same community
- ✓ Compensation of public sector employees in comparable communities
- ✓ Compensation of private sector employees in comparable communities

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Proposed *Public Sector Capacity to Pay Act*, 2013

Section 8.5 – In applying the criteria listed in subsection (3) or (4), the arbitrator shall assume that **no tax rate will be increased to pay the costs of the decision or award.**

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What are we trying to control by changing arbitration?

- We're trying to control costs.
- Actually just “*the*” cost—an abstraction for policing
- This isn't an evidence-based argument
- Need to think about how money is being used

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Solution 2: Police civilianization

- Police are specialists
- Why do we deploy them to generalist roles?
- Lots of uptake. UK, US, and Canada

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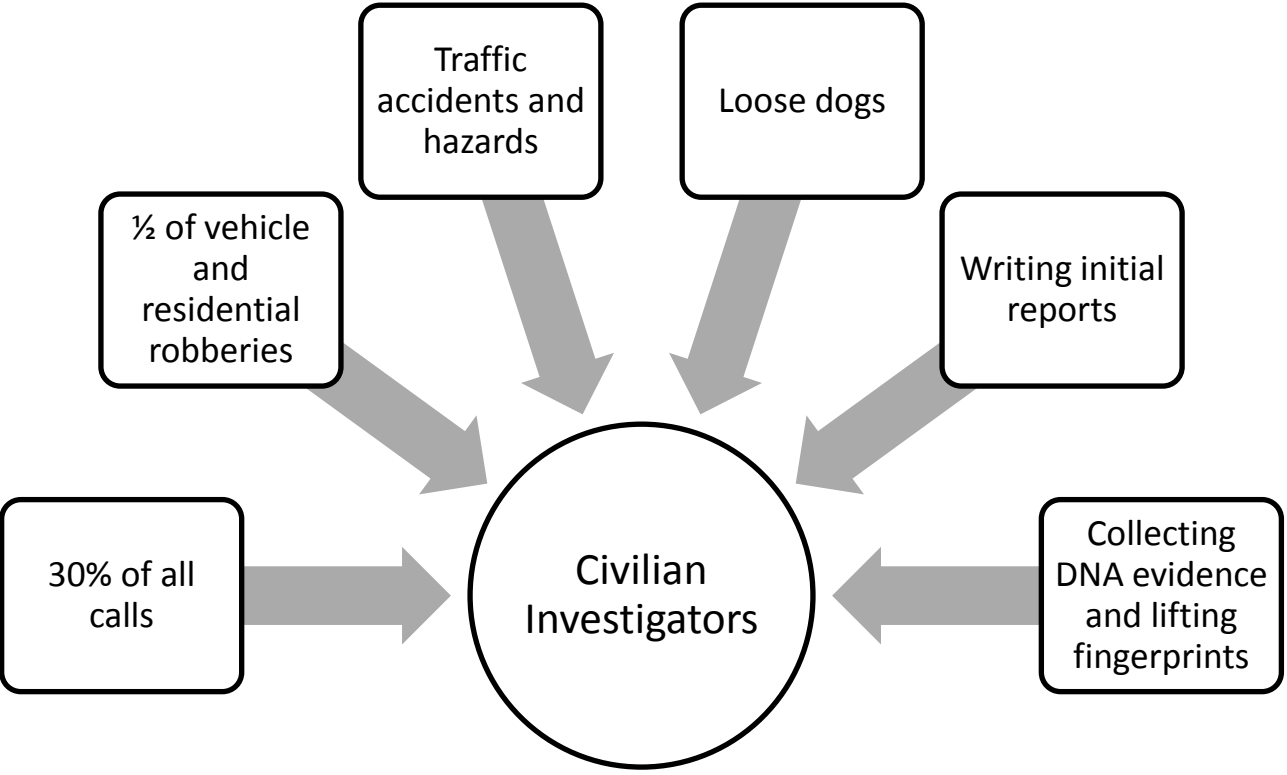
Growing rates of civilianization

- Canada 1962: 4.6 officers per civilian worker
- Canada 2010: 2.5 officers per civilian worker
- UK 2000: 2.3 officers per civilian worker
- UK 2009: 1.4 officers per civilian worker

Civilians in the police force

- Civilians already handle:
 - Bylaw enforcement
 - Communications and dispatch
 - Police complaints
- Growing interest in deploying civilians to “front line” roles

Mesa, Arizona



Mesa, Arizona

- Officials estimate the Mesa Civilian Investigator program has saved 30-40% in staffing costs

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Civilianization programs in Canada

	Salary	Street-level patrols?	Conduct neighborhood foot patrol?	Guarding crime scenes?	Receive property reports?	Work requiring use of force?	Other sensitive or high-skilled police work?
Winnipeg Cadet (2015)	\$34,975	Yes	Yes	Yes	Yes	No	No
Winnipeg 1 st -class Constable (2015)	\$93,098	Yes	Yes	Yes	Yes	Yes	Yes
OPP Community Service Duty (2013)	\$57,000	Yes	Yes	Yes	Yes	No	No
OPP 1 st class Constable (2015)	\$90,621	Yes	Yes	Yes	Yes	Yes	Yes

Why embrace civilianization?

- Clearly defined problem, clearly defined solution
- Dependent variable is both measurable and discrete
- Ontario's police reformers should take note!

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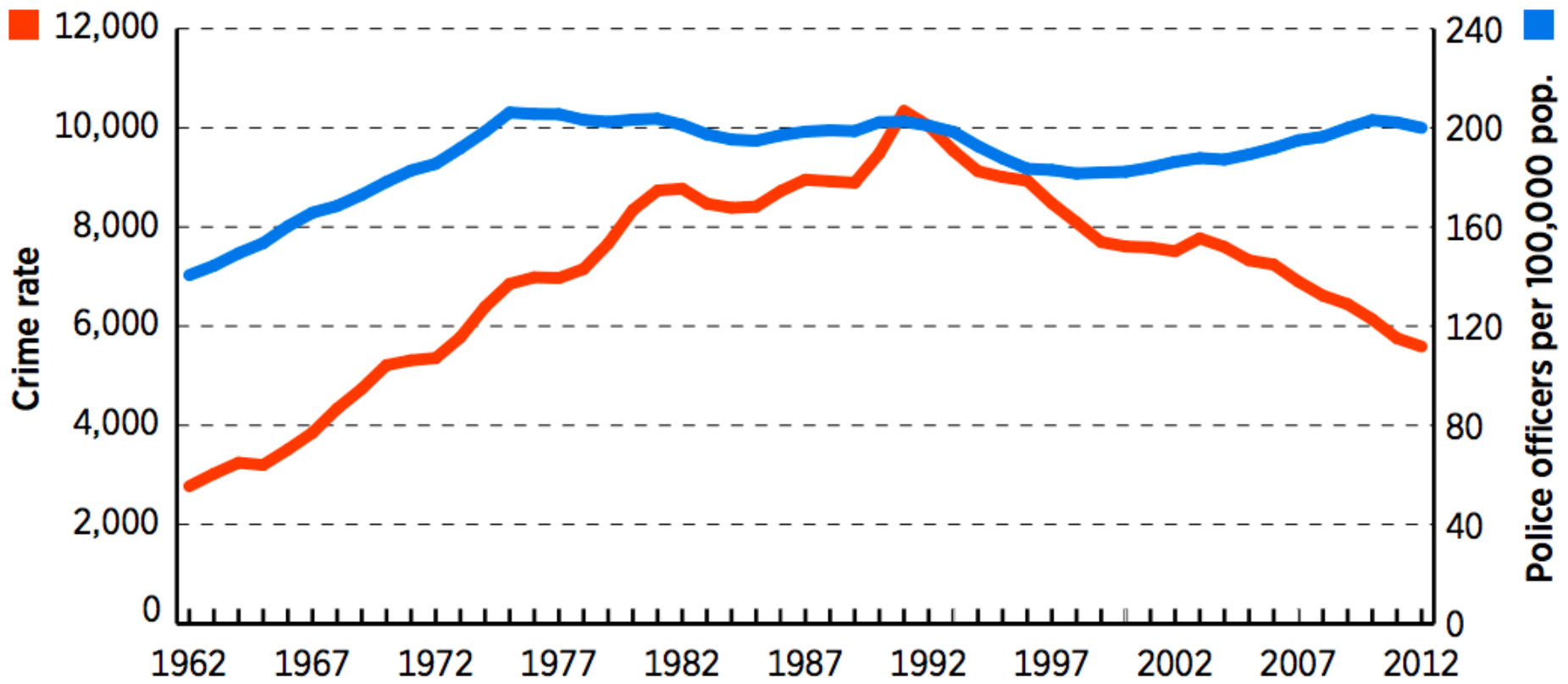
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Evaluating police performance

- We could make better decisions about police performance and spending if we knew what we were getting for our money
- Surprisingly, this is a new idea
- “Service quality” in policing traditionally means funding vs crime rate



Canada-wide Crime Rate (Criminal Code offenses per 100,000 population, excluding traffic and drug offenses) vs police officers per 100,000 population, 1962-2012.

Table 7.1. Empirical Studies on the Effect of Police Strength on Violent Crime

Study	Method ^a	Cross-Section	Time ^b	I.V.	Simultaneity ^d	Findings ^e
Morris & Tweeten (1971)	CS	754 Cities	1967 & 1968	Police Employees	2SLS	Violent Crime (+)
Greenwood & Wadycki (1973)	CS	199 SMSAs	1960	Police Employees	3SLS	Violent Crime (+)
Swimmer (1974a)	CS	119 Cities	1960	Police Expenditures	2SLS	Murder (-), Rape (-) Robbery (-), Assault (0)
Swimmer (1974b)	CS	119 Cities	1960	Police Expenditures	2SLS	Violent Crime (-)
Wellford (1974)	(a) CS	21 Cities	1960 & 1970	Police Expenditures	None	Violent Crime (0)
	(b) CS	21 Cities			None	Violent Crime (0)
Levine (1975)	(a) CS	26 Cities	1960 & 1970	Police Employees	None	Murder (+), Robbery (+)
	(b) Panel	26 Cities	1961	Police Employees	None	Change in Murder (0), Change in Robbery (0)
Pogue (1975)	(a) CS	163 SMSAs	1961 & 1971	Change in Police Employees	None	Murder (0), Rape (0), Robbery (0), Assault (0)
	(b) CS	163 SMSAs	1962	Police Expenditures	2SLS	Murder (0), Rape (+), Robbery (+), Assault (+)
	(c) CS	66 SMSAs	1967	Police Expenditures	2SLS	Murder (0), Rape (0), Robbery (0), Assault (0)
Land & Felson (1976)	TS	U.S. Aggregate	1968	Police Expenditures	None	Violent Crime (-)
Mathieson & Passell (1976)	CS	65 NYPD Precincts	1947–1972	Uniformed Patrolmen	2SLS	Robbery (-)
Hakim, Ovadia, & Weinblatt (1978)	CS	61 Philadelphia Suburbs	1970	Police Expenditures	None	Robberies per Acre (+)
Fujii & Mak (1980)	(a) CS	25 Districts in Oahu	1975	Police per Acre	2SLS	Murder (0), Rape (+), Robbery (+), Assault (+)
	(b) TS	State of Hawaii	1961–1975	Police	None	Murder (0), Rape (+), Robbery (0), Assault (0)

(continued)

	Inputs			Outputs				Outcomes		
	Total cost/ cost per capita	Service calls	Crime rate (any)	Total complement/ per capita	Clearance rate	Cases per officer per year	Complaints/ use of force	Social media followers	Perceived crime rate	Perceived personal safety
OMBI	Does Measure	Does Not Measure	Does Measure	Does Measure	Does Measure	Does Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Not Measure
MPMP	Does Measure	Does Not Measure	Does Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Not Measure
TPS	Does Measure	Does Measure	Does Measure	Does Measure	Does Not Measure	Does Not Measure	Does Measure	Does Measure	Does Measure	Does Measure
Ottawa Police	Does Measure	Does Measure	Does Measure	Does Measure	Does Not Measure	Does Not Measure	Does Measure	Does Measure	Does Measure	Does Measure
Peel Regional Police	Does Measure	Does Measure	Does Measure	Does Measure	Does Not Measure	Does Not Measure	Does Not Measure	Does Measure	Does Measure	Does Measure
York Regional Police	Does Measure	Does Measure	Does Measure	Does Measure	Does Measure	Does Not Measure	Does Not Measure	Does Measure	Does Not Measure	Does Not Measure

Assessing police services qualitatively

- Mastroski: structuring police surveys around six characteristics of “good service”:
 - Attentiveness, Reliability, Responsiveness, Competence, Manners, and Fairness
- Rigorous private-sector customer service measurement

But we need to measure more

- Quantitative measures, for instance
- Police resourcing should be driven by evidence
- Allow us to make better choices
- And systematize best practices

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Summing up

- Police costs are growing
- Interest Arbitration reform is not a practical solution
- Civilianization is a proven way to control costs
- Controlling costs requires tools for measuring outputs

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