

# ONTARIO POLICE ARBITRATION COMMISSION



## BUSINESS PLAN

Fiscal Years  
2017-18 through 2019-20

May 25, 2017





**ONTARIO POLICE ARBITRATION COMMISSION**  
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2017-18 through 2019-20

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## ONTARIO POLICE ARBITRATION COMMISSION BUSINESS PLAN

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### EXECUTIVE SUMMARY

The Ontario Police Arbitration Commission (the Commission) is a non-board governed provincial agency under the Agency and Appointments Directive (AAD). In accordance with the Labour Relations Part VIII of the *Police Services Act (PSA)*, the Commission appoints conciliators and mediator-arbitrators to assist police associations and police services boards across the province to resolve outstanding labour relations grievances and contract bargaining disputes. The Commission does not in any way influence the parties in their actual negotiations. These processes are intended to promote harmonious labour relations in the police community and improve the long-term effectiveness of policing in the Ontario.

The Commission efficiently works toward fulfilling its mandate while ensuring operations are effective, responsible and aligned with the goals of the Ministry of Community Safety and Correctional Services.

Over the past fiscal year, aside from regular operations, the Commission focused on filling board vacancies, addressing mandate review recommendations, mitigating risks on the quarterly assessments and continued improvement of the website. Additional priorities included the search and implementation of cost saving strategies and making environmentally conscious revisions to administrative activities.

The business plan is updated each year and used as a tool to focus on the strategic direction over a three year period. For the 2017-18 to 2019-20 planning period, the Commission's strategic objectives are:

- **Ensuring the timely delivery of service by qualified professional conciliators and mediator-arbitrators;**
- **Streamlining processes and case management to reduce duplication, improve organization and maximize efficiency in providing services and information to stakeholders;**
- **Developing staff to expand skill sets and implement succession planning;**
- **Applying cost saving, environmentally friendly alternatives for business practices;**
- **Improving accessibility to Commission research materials and application processes;**

The ministry provides resources to the Commission to ensure it has the capacity to fulfill its legislative requirements and implement its strategic directions. The total allocated budget for fiscal year 2016-17 was \$458,700. At fiscal year end, the total expenditures were \$397,389 resulting in an uncharacteristic surplus of \$61,311. There was no self-generated revenue. The financial report for fiscal year 2016-17 is located in the Financial Budget and Staffing Section.

## MANDATE

A Memorandum of Understanding (MOU) governs the operational, administrative and reporting relationships between the Commission and the Ministry of Community Safety and Correctional Services. The term of the MOU is five years or until such earlier time as all parties agree to a new MOU.

Responsibilities of the Ontario Police Arbitration Commission as outlined in the MOU between the Commission and the Ministry of Community Safety and Correctional Services:

- promote harmonious labour relations in the police community;
- administer the mediation-arbitration process for police contract bargaining disputes and rights grievances;
- provide conciliation services prior to arbitration;
- assist parties negotiating a voluntary collective agreement;
- sponsor research with respect to police arbitration processes and awards.

### Mission Statement

The Commission is an independent adjudicative agency whose mission is to provide for the neutral administration of the Labour Relations, Part VIII, of the *Police Services Act (PSA)* in an effective and timely manner.

### Legislative Authority

The legislative authority of the Commission is set out under section 131(1) of the *Police Services Act*, R.S.O. 1990, c.P. 15 as amended. The statutory responsibilities of the Commission are set out specifically in subsection 131(5):

**131 (5)** The Arbitration Commission has the following responsibilities:

1. Maintaining a register of arbitrators who are available for appointment under section 124.
2. Assisting arbitrators by making administrative arrangements in connection with arbitrations.
3. Fixing the fees of arbitrators appointed by the Solicitor General under section 124.
4. Sponsoring the publication and distribution of information about agreements, arbitrations and awards.
5. Sponsoring research on the subject of agreements, arbitrations and awards.
6. Maintaining a file of agreements, decisions and awards made under this Part.

The Commission is subject to the *Accessibility for Ontarians with Disability Act, 2005*; *Occupational Health and Safety Act*; *Freedom of Information and Protection of Privacy Act (FIPPA)*; *Public Service of Ontario Act, 2006 (PSOA)*, the *Human Rights Code* and all other

applicable laws as well as government policies and directives including the Agencies and Appointments Directive (AAD).

## Reporting Requirements

The Commission is accountable for the following reporting requirements:

- Memorandum of Understanding – The MOU is signed by the Chair of the Commission and the Minister of Community Safety and Correctional Services. This agreement serves as an important tool to promote mutual understanding of the roles and responsibilities of each party (Minister, Deputy Minister, Board, Chair and Executive Officer.)
- Business Plan – Each year, the Commission submits a business plan to the Minister of Community Safety and Correctional Services for approval, which covers a three-year period. This plan is a key requirement for accountability under the Agencies and Appointees Directive (AAD) and an important tool for maximizing an organization's likelihood of success in meeting its goals and objectives.
- Annual Report – Each year, the Commission prepares an Annual Report documenting how the agency fulfilled its mandate during the preceding fiscal year. It provides a retrospective look at the fiscal year and it includes performance targets, performance, accomplishments, financial statements and appointees.
- Compliance Attestation – Each year, the Chair of the Commission must send a letter to the Minister of Community Safety and Correctional Services confirming compliance with legislation, directives and accounting, and financial policies
- Risk Assessment Evaluation – Quarterly reporting is made to Treasury Board/Management Board of Cabinet on each high risk the Commission faces including a description of the risk, the reasons it is a high risk, and what management plan is in place to manage the risk. This reporting requirement ensures effective management of risks for the Commission and Ministry.
- Public Posting – To fulfill the government's objective to increase transparency, the Memorandum of Understanding, Business Plan, Annual Report and expense information for appointees and senior executives are posted on the Commission website.
- Mandate Review – The Commission's mandate sets out the parameters within which it may perform its responsibilities or provide services, and ministries must complete reviews of the mandate once every seven years.

## STRATEGIC DIRECTIONS

The Commission always strives to provide accessible, reliable and efficient conciliation and mediation-arbitration services to police associations and police services boards across the province. The direction for the following three years focuses on maintaining timely service delivery and updating operational practices in support of improving information management and efficiency, reducing environmental impacts, and strengthening staffing capabilities for the Commission's future. The focused strategies are listed below:

- **Ensuring the timely delivery of service by qualified professional conciliators and mediator-arbitrators;**

Efficient service delivery is a top priority of the Commission; staff are expected to contact applicants to begin the formal process within the same business day the application for service was received. Hearing dates are set at the parties' earliest convenience – within 14 days of receipt of request for conciliator and within 30 days for a mediator-arbitrator, as outlined in the *Police Services Act*. The Commission has a roster of five conciliators and approximately 30 arbitrators which ensures that there is always a professional available to attend a hearing on any date requested by the parties. The Commission works to accommodate any dates requested by the parties in order to ensure the most efficient process possible.

- **Streamlining processes and case management to reduce duplication, improve organization and maximize efficiency in providing services and information to stakeholders;**

There are opportunities to modernize programs and processes used by staff to improve information management. The Commission regularly updates activity reports for all open conciliation and arbitration case files. This is valuable information which can produce a variety of statistics and accurate performance measures. Current programs in use such as Microsoft Office and DocTrack require staff to calculate statistics manually, which is time consuming and leaves room for error across a number of reports. There is an opportunity to implement a case management system or formatted documents which can filter options and provide accurate reports in real-time. This would increase efficiency and accuracy when providing statistics and data to stakeholders. A program with capabilities to produce focused reports would aid in trend analysis in police labour relations, forecasting and risk reports. The Commission has begun work with the Business Improvement Unit to create reports with these features and will start implementation after trial runs are completed.

- **Improving accessibility to Commission research materials and application processes;**

The Commission's website is the most effective tool to share research materials with stakeholders and the public, such as arbitral decisions and awards with summaries, municipal police services collective agreements on record, information on Commission services, governance documents and application processes including the required application forms. The website was redeveloped in December, 2015, and is compliant with the Accessibility for Ontarians with Disabilities Act (AODA), Integrated Accessibility Standards Regulations (IASR), and Web Content Accessibility Guidelines 2.0 at level AA. Despite the online improvements, website traffic has been low and some stakeholder groups are not aware of the usefulness of this research tool. An information memo about the new site features "how to search" instructions. The Commission is seeking feedback from users regarding potential improvements to the functionality, user friendliness, and accessibility of the website.

- **Developing staff to expand skill sets and implement succession planning;**

With a full staff complement, employees and management are able to invest time into professional development and succession planning to ensure the Commission is



equipped for scheduled or unexpected staffing changes. With the appointment of a new chair due in 2017, it is imperative to update plans for knowledge transfer and transition preparation. Formal succession planning for the chair, board members and staff members is in place and will be further developed over the coming years. With the start of a new chair, the existing transition strategies and materials will be tested, and opportunities to strengthen and develop plans further will be explored. The commission is aware of the aging roster of arbitrators with retirements planned in the following few years. The roster will be reviewed, as well as the per diem rates in order to attract and maintain individuals to provide these necessary professional services.

- **Implementation of cost saving, environmentally friendly alternatives for business practices;**

This ongoing strategy will take time and cooperation from stakeholders as minor changes to existing practices must take place. It is an area for continuous improvement as new policies, technologies and products become available to support these initiatives. The Commission will continue to reduce paper and printing usage and increase the acceptance of electronic documents within the Commission as well as from stakeholders, where possible, by encouraging applicants to submit online applications, collective agreements, and supporting materials for grievances. The Commission has switched to online subscriptions for law books, newsletters, and bulletins and will further implement soft-copy file sharing to edit documents rather than editing printed hard copies. This will continue to yield savings in the Commission's supplies budget and the modernization will encourage transformation in other areas.

These strategies align the Commission with the Ontario Government and the Ministry of Community Safety and Correctional Services mandate to provide an accessible, accountable and innovative justice system, and support and deliver quality services by ensuring service continuity and improvement. Under the Performance Measures section, the business plan outlines how the Commission measures the success of these strategic objectives.

## **OVERVIEW OF PROGRAMS AND ACTIVITIES**

### **Conciliation Services**

Conciliation is an extension of the collective bargaining and grievance process whereby an independent third party provides assistance to municipal police associations and police services boards to help them reach a voluntary settlement of their differences. A settlement is never imposed on the parties at the conciliation stage. The commission has a roster of five highly experienced, private-sector conciliators who are paid a per diem per case. The capability to accommodate a large number of meeting dates within any given timeframe and to hold multiple hearings on the same day in various locations throughout the province ensures the provision of an efficient service to stakeholders.

### **Workplace Relationship Improvement Program**

The commission continues to look at ways to address conflict in workplace relationships before the conflicts escalate into grievances. The commission offers a voluntary Workplace Relationship Improvement Program (WRIP) to assist police associations and police services boards to develop good working labour relations. The WRIP is used, where appropriate, by the

chair and commission conciliators to identify and discuss with police services boards and police associations the ways in which they can improve their day-to-day working relationship. The program is voluntary and requires commitment by senior members of the police association and the police services board in order to be successful.

### **Mediation-Arbitration Services**

Where the parties are unable to resolve their differences through conciliation and cannot agree on the joint appointment of an arbitrator, either party representing a police association or police services board may request the appointment of an arbitrator by applying to the commission. The outcome of a dispute is determined by the arbitrator based on evidence presented at a hearing. In October 1997, the *Police Services Act* was amended to make provision for an assisted dispute resolution (ADR) mechanism to deal with all police contract bargaining disputes. As a result, the emphasis on mediation prior to arbitration has increased the rate of settlement between police associations and police services boards in both interest and rights disputes.

### **Appointment of Mediators/Arbitrators**

Section 131(6.2) of the *Police Services Act* requires the Chair of the Commission to establish and maintain a roster of mediator/arbitrators. The commission meets this requirement by utilizing the services of approximately 30 private-sector mediator/arbitrators to hear both interest and rights disputes. The roster is reviewed periodically by the Chair and Board.

### **Distribution of Labour Relations Information and Research Materials**

The commission provides information on its services to stakeholders and the public in a transparent and accessible manner. The website ([www.policearbitration.on.ca](http://www.policearbitration.on.ca)) provides stakeholders and their representatives, legal counsel, labour relations personnel in the broader public sector and the general public, access to a database of rights and interest arbitration awards for police in Ontario. The commission also maintains an archive of collective agreements between police associations and police services boards.

## **HUMAN RESOURCES**

Staff members are an integral part of the commission meeting its mandate. With three full-time employees, the commission has been able to reach performance targets and successfully facilitate reliable programs and services. Management will work with staff on succession planning, professional development, and improving skill sets in order to prepare for planned or unexpected changes in the commission's future and to develop staff to their full potentials.

The commission utilizes five private-sector conciliators and approximately 30 private-sector mediator/arbitrators to deliver legislated programs and services. Per diem rates are much lower than those in the private sector for these services which can pose challenges in attracting and retaining experienced conciliators and mediator/arbitrators for the commission's roster. The private per diem rates for some members on our roster can be upwards of \$3,000 - \$5,000, while the commission per diem remains below \$800. An aging roster will soon encounter retirements, which can create opportunities to attract new mediator/arbitrators.

Recruitment for a new Chair of the Commission is underway. The current chair, Mr. Paul Gardner, will remain in the position until his Order in Council expires in October, 2017. The

commission is further developing plans for knowledge transfer and transition for the new appointee once the successful candidate has been named. In order for knowledge transfer to be effective, there must be an overlap in the time Mr. Gardner is active and the new chair is named, however this is out of the commission's control and poses a risk to service delivery and legislative requirements. The commission will continue to work with the ministry to help facilitate the recruitment process.

## PERFORMANCE MEASURES

The following performance measures outline desired results for meeting the commission's business objectives and key strategies. These measures are under review for further development in the next business planning phase. Results are reported each year in the commission's annual report:

### 1. Core Business Function: Conciliation

Strategy/Objective	Measure
Ensure timely delivery of conciliation services by qualified professionals	<ul style="list-style-type: none"> <li>• Maintaining the response time from receipt of application to first contact under two business days</li> <li>• Previous measure of five days was reduced to two days, as staff were easily exceeding the target</li> </ul>

### 2. Core Business Function: Mediation-Arbitration

Strategy/Objective	Measure
Ensure timely delivery of mediation-arbitration services by qualified professionals	<ul style="list-style-type: none"> <li>• Maintaining the response time from receipt of application to first contact under two business days</li> <li>• Previous measure of five days was reduced to two days, as staff were easily exceeding the target</li> </ul>

### 3. Core Business Function: Delivery of Services and Reporting

Strategy/Objective	Measure
Streamline case management to reduce duplication, improve organization and efficiency in providing services and information to stakeholders	<ul style="list-style-type: none"> <li>• Develop new tracking reports for arbitration and conciliation grievance applications</li> <li>• Utilize functionality of reports to calculate performance measure results and activity summaries</li> <li>• Implementation by end of FY 2017-18</li> </ul>

#### 4. Core Business Function: Staff Planning and Development

Strategy/Objective	Measure
Developing staff to expand skill sets and implement succession planning	<ul style="list-style-type: none"> <li>• Develop formal succession plan for new chair</li> <li>• Implement performance plans for staff</li> </ul>

#### 5. Core Business Function: Environmental and Budget Conscious Alternatives

Strategy/Objective	Measure
Exploration of cost saving initiatives and environmentally friendly alternatives for business practices	<ul style="list-style-type: none"> <li>• Reduce annual office supply budget 13%, (not including special projects i.e. Annual Report binding/distribution)</li> <li>• Reduce periodicals and subscriptions budget from approximately \$7,000 to \$2,000/year</li> </ul>

#### 6. Core Business Function: Maintain and Publish Information & Research Materials

Strategy/Objective	Measure
Improve stakeholder accessibility to the application process and research materials	<ul style="list-style-type: none"> <li>• Updating list of Collective Agreements on the commission website within one week of their release</li> <li>• New awards to be entered on website within one day of receipt of summary and distributed to stakeholders via email for expeditious notification</li> </ul>

## FINANCIAL BUDGET AND STAFFING

Although much of the commission's expenditures are mandated by legislation and the level of service demand is beyond its control, the commission consistently meets its key objectives and operates within its budget allocation. The commission's budget supports three full-time staff. The remaining budget is allocated to the provision of conciliation and mediation-arbitration services to police across Ontario, board appointees, and other direct operating expenses.

### Financial Report

The commission's budget for the fiscal year 2016-17 was \$458,700. The commission operated within budget for a total expenditure of \$397,389. It is important to note that the underspend is uncharacteristic due to the low number of conciliations scheduled in the past fiscal year, coupled with the high number of arbitrations carrying over to next fiscal year, along with a bulk of their costs. We do not anticipate an unmanageable surge in applications and spending next year to make up for the below-average activity over the past fiscal year. The activity levels and

spending is expected to return to average amounts.

## Financial Outlook

The Printed Estimates for fiscal year 2017-18, the first year of this plan, is \$458,700. Proposed budgets for the following two years are \$458,700 each year. At the time of this report, the budget for the last year of this plan had not yet been confirmed.

The financial outlook can be difficult to predict. The commission has challenges accurately determining if or when a significant increase or decrease in applications will occur because of the nature of labour relations among municipalities. The volume of applications and hearings are tracked year over year, however the influx and drop in requests for conciliation or arbitration, or the scheduling of these meetings vary between municipalities and can be attributed to a variety of abstract factors. Due to this uncertainty, it is assumed that activity levels will remain around average levels, with a couple outlier years that may be unexpected.

Over the next three years, expenditures are expected to slowly rise as applications for services return to their average levels, and the travel, meal and hospitality directive has been amended for expense increases. Staff salary increases and benefit costs will reflect these changes. Barring unforeseen pressures and assuming the level of demand for service remains within the five-year average, the commission should operate within its proposed budgets until the final year of this plan, fiscal year 2019-20.

Fiscal Year	Expenditures	Estimates		
	2016-17	2017-18	2018-19	2019-20*
Proposed Budget (in thousands)	\$ 397.4	\$ 458.7	\$ 458.7	\$ 458.7
Salaries & Wages	168.6	175.4	180.0	180.0
Benefits	24.1	25.6	26.2	26.2
Transportation & Communication	29.4	42.0	40.0	40.0
Services	164.5	199.7	198.5	198.5
Supplies & Equipment	10.7	16.0	14.0	14.0

\* Budget not confirmed at time of report approval

## INFORMATION TECHNOLOGY AND ELECTRONIC SERVICE DELIVERY

One of the commission's outlined strategies is to streamline processes and case management in an effort to reduce duplication and increase efficiency. This can be achieved through effective use of information technology. By utilizing existing programs to their full capability, staff can also improve accuracy when reporting on trends and activities. This will require some online and in-class training, as well as continued work with the Business Improvement Unit to tailor reports and documents to the commission's specific needs.

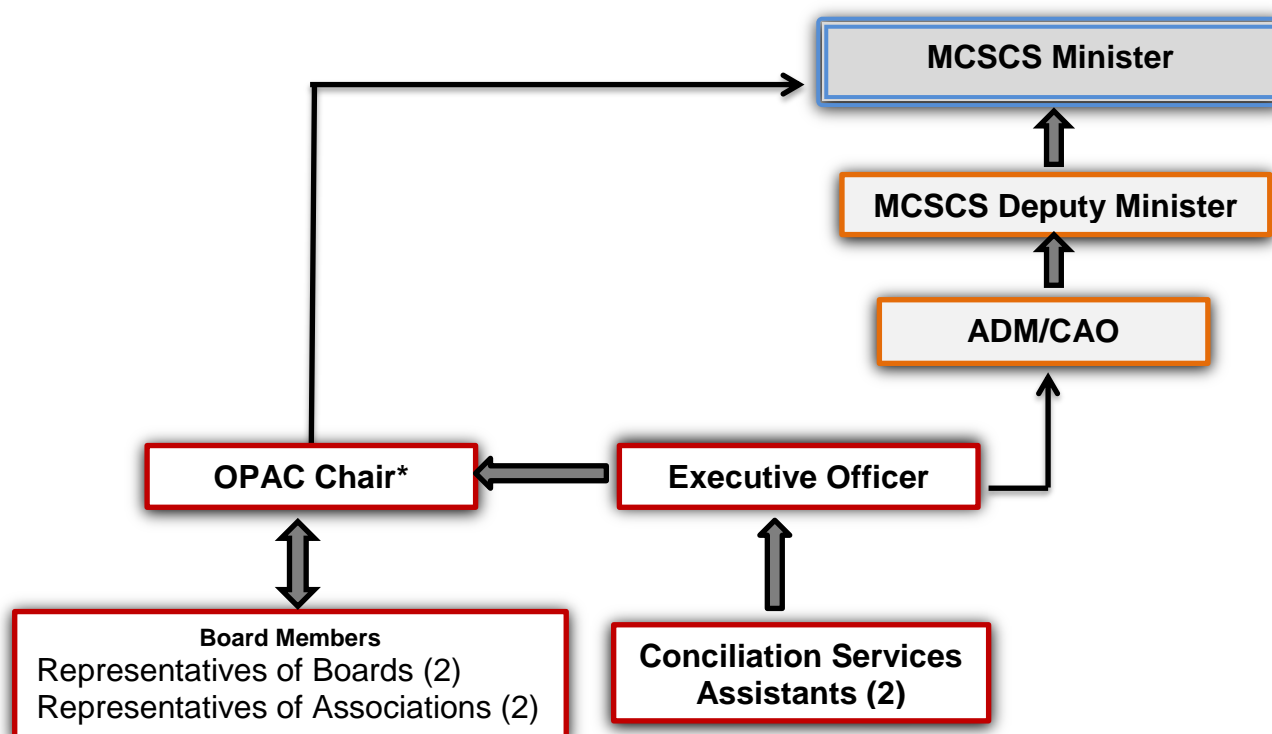
The commission's website is an essential tool used to provide historic information on arbitration decisions to stakeholders and the public. The website is also used to communicate policies, procedures, and accountability documents. The commission changed its website platform during fiscal year 2015-16 following the announcement of the provincial government's initiative

to simplify Ontario's online presence. This change in platforms has allowed for modernization of the commission's online presence.

Staff will continue to look at ways to streamline the administration process and the input and posting of new data to the commission's website. Currently, the commission accepts application forms by mail, email and fax.

The commission has provided stakeholders with a new general email address to submit applications, complaints, inquiries, and feedback. This account will be monitored by all staff in the office to ensure same-day response times.

## ORGANIZATIONAL CHART



In accordance with section 131 (1) of the *Police Services Act*, the commission is composed of a chair, two representatives of police services boards recommended for appointment by the Ontario Association of Police Services Boards (OAPSB), and two representatives of members of police associations, recommended for appointment by the Police Association of Ontario (PAO).

The minister must consult with or attempt to consult with the bargaining agents or employers' organizations prior to a Chair being appointed to the Commission. The terms of office for appointees are set within Government of Ontario guidelines. Staff is comprised of an executive officer and two conciliation services assistants.



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