



Customs and Immigration Union
Syndicat des Douanes et de l'Immigration

August 3rd, 2010

The Honourable Vic Toews
Minister of Public Safety
269 Laurier Avenue West, 19th Floor
Ottawa, Ontario
K1A 0P8

The Honourable Stockwell Day
President of the Treasury Board
140 O'Connor Street
Ottawa, Ontario
K1A 0R5

Re: CBSA Strategic Review

Dear Ministers;

As a result of recently learning of CBSA's *Strategic Review* and its intended actions that will directly reduce operational capacity and negatively affect the Agency's workforce and the Canadians we serve, We felt compelled to contact you to express our grave concerns regarding several of these initiatives. We became aware of the details of this Strategic Review following a recent 'briefing' by CBSA management where we were advised rather than consulted about intended changes to the workforce. As a result of what we were told was being planned, members of the Customs and Immigration Union have identified a number of specific concerns regarding these planned actions, their rationale, as well as their public consequences. The purpose of this correspondence, therefore, is to alert you to these issues so that you can determine whether what CBSA is proposing is even necessary or advisable.

At the outset, I must be clear that, once again, CBSA has chosen a course of informing stakeholders, including employee representatives, after the fact rather than engaging them in meaningful consultation to produce a better informed approach. Not surprisingly, this approach has always tended to systematically produce results that concentrate resources in National Headquarters (NHQ) at the expense of the Regions of the Agency where Canadians actually interact with CBSA. This is an issue we have raised previously and, in our view, these intended reforms would further the disproportion between NHQ and field operations.

CBSA's Strategic Review contemplates centralizing local Targeting positions as well as moving many local Commercial Trade offices to regional centers. CBSA has also advised that it intends to seek authority to close several land Points-of-Entry and

...2/

reduce hours of operation in others notwithstanding an, as of yet, absence of reciprocal action from the United States. These are all actions which will reduce the operational capacity of the Agency and negatively impact on the travelling public and the local communities affected by these proposed changes.

While we fully understand the Government's desire to ensure maximum productivity for the public dollars allocated to CBSA, it is hard to imagine that reducing the operational capacity of the Agency and inconveniencing the public is the best way these can be achieved. As noted above, because CBSA avoided internal or stakeholder consultations in formulating these proposals, we were unable to identify the inappropriateness of such actions and the cost savings alternatives before the Strategic Review was presented to both Cabinet, other stakeholders, and ourselves. We have since made our views known to CBSA management including alerting them to the fact that we would also be providing our insights and suggestions to the Minister and the President of the Treasury Board.

Canada has rightly prided itself on intelligence-led enforcement which is epitomized by the CBSA Targeting Program. This program has an Ottawa-based component but, in accordance with recognized professional standards, is deployed throughout the country in the various Regions so as to ensure local knowledge, awareness, availability and operational liaison. The local targeting units have an extremely impressive track record which CBSA is ignoring but which we certainly encourage you to explore.

Should the targeting positions be centralized as announced, while there will undoubtedly be a greater concentration of personnel, the Agency, and the Canadian public we serve, will be deprived of the undeniable operational advantage obtained from a local presence that benefits from localized knowledge and contacts. This combination of local knowledge with systemic and inter-agency real time information/intelligence access is made possible with modern communications. Yet, in the name of "Strategic Review", CBSA will, literally, blind its front-line intelligence driven operations.

Local targeting units know the importers and transporters in their respective regions and are better able to identify anomalies. Centralizing this function will eliminate this advantage. The communications and relationships between Border Services Officers and local Targeters is critical including with an onsite presence where required and throughout the course of an inspection; this is particularly true in Marine and Air-Cargo environments. This too will be eliminated with a centralize-based system as will what is the repository of local knowledge.

The same is true of the proposed transfer of Trade Division positions in an equally inappropriate effort at centralization. All of the local knowledge, expertise, and access

will be lost with a resulting compromise in the operational effectiveness of the Agency. We should also point out that what was described was a transfer of the actual jobs rather than a transfer of personnel which would appear to mean outright elimination of those positions in the affected regions. This inequity is suggested for parts of the country, many of which in the past number of years have already borne an inordinate brunt of so called 're-organization' which has translated into local job losses and loss of local capacity.

We invite you to examine these issues specifically because above and beyond their operational negative consequences, they would create regional inequity that is certain to have a negative public reaction.

In assessing the cost effectiveness of centralizing Targeting and Trade functions, the following matters should be considered:

- transfer costs and/or recruitment costs for affected positions
- cost of having to bring in Targeter/Trade Officers from elsewhere into regions to testify prosecutions
- increased costs to local communities (throughout Canada) associated with gun and drug crimes resulting from reduced interdiction capacity
- increased costs resulting from undetected counterfeit goods
- reduced commercial clearance efficiency
- increased costs for expanded centralized facilities
- last and in no way least, the associated political ramifications

The management team of CBSA have long been questioned for their seeming preference to a risk-averse, no news is good news approach when it comes to enforcement. Terminating local targeting is a betrayal of the Agency's proclaimed intelligence-led enforcement approach that will result in reduced detections and interdictions. Make no mistake; as police organizations have long asserted, this border security deficiency will result in increased crime within Canada. This move is so counterproductive to the Agency's mandate and expressed Government intention regarding border security that we would strongly urge you to consult with other agencies involved in enforcement work regarding the essential requirement of a local operational presence.

CBSA's plan to close some land Points-of-Entry (POE's) and reduce hours of operation in others will obviously be an inconvenience to the travelling public and commercial traffic that use these POE's. It will also have a negative economic impact on the communities involved which has already begun to generate a negative public response to the Government that approved it.

We would urge you to specifically ascertain and review what supposed savings will be generated so that you can get an accurate sense of whether other non operational actions might produce the same savings results. The proposal to close and restrict land POE operations is especially concerning as for over a year, the CIU has been trying to alert CBSA and Government that the Agency was wasting money in defined areas and that we feared operational expenditures might be cut as a result. Unfortunately, with the release of the CBSA Strategic Review, our predictions have proven accurate.

These initiatives were explained as being motivated by a need for the Agency to reduce expenditures. The deliberate avoidance of consultation with employee representatives and other stakeholders prevented us and others from supplying information regarding costing implications or alternatives prior to CBSA announcing its *Strategic Review*. In our view the issue of the financial implications of the CBSA Strategic Review and its proposals as well as *current* CBSA expenditures, especially in NHQ, clearly merits an analysis beyond the closed door, self-examination CBSA has presented.

As noted above, CIU has previously warned Government about unnecessary expenditures incurred by CBSA including centralizing the arming and recertification process. So you know, we have never received a substantive response from CBSA to our suggestions for reducing costs. CBSA should also be asked to explain the rationale and result of NHQ practices such as why increased allocations of \$103M for '*unspecified internal services*' have been made and with what result, what was the benefit derived from reported but imprecise external contract spending of approximately \$30M in just the last fiscal year, and the extent and rationale of payment of management bonuses.

We are confident that an independent review of these areas including consideration of less expensive alternatives and actual relative value received will demonstrate that the required savings can be achieved through proper management rather than compromising core functions that directly affect Canadians.

In light of CBSA's announced intentions we urge the Government to investigate NHQ Region spending as a source of savings without compromising essential operational duties. We would also suggest that CBSA be directed to review all of the cost

implications and alternative cost saving issues identified in this correspondence because the actions contemplated will needlessly compromise the Agency's public service and safety mandate, result in unanticipated costs, and inequitably affect employees of the Agency.

As always, our members and the CIU itself is prepared to assist in whatever fashion you may feel would help. Your Government has made enormous strides towards improving border security, inland enforcement, and expedited trade. You have done so by prioritizing effective operational activities and not by building or tolerating Ottawa-based bureaucratic empires. We have been honoured to participate with you in that process since 2006 by offering a front-line insight or by pointing out alternatives to what CBSA says are 'required' actions. This letter attempts to do just that and we hope it is of assistance given your continued leadership on these issues is critical.

Sincerely Yours,

A handwritten signature in black ink, appearing to read "Ron Moran", written in a cursive style.

Ron Moran
National President

cc. Members of the CIU National Board of Directors