



Public Safety    Sécurité publique  
Canada            Canada

Deputy Minister    Sous-ministre

Ottawa, Canada  
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JAN 26 2012



Mr. Kevin Page  
Parliamentary Budget Officer  
Library of Parliament  
Parliament Buildings  
Ottawa, Ontario K1A 0A9

Dear Mr. Page:

I write in response to your letter of November 4, 2011, where you requested information relating to the assumptions and methodologies underlying the costs of Bill C-10 (*Safe Streets and Communities Act*), that were provided to the Standing Committee on Justice and Human Rights (JUST) on October 6, 2011. I apologize for the delay in responding.

The document tabled with the House Standing Committee on Justice and Human Rights by the Ministers of Justice and Public Safety reported the total cost to the federal government of Bill C-10 at \$78.6 million of approved funding.

Only the former Bills S-10 (*An Act to amend the Controlled Drugs and Substances Act and to make related and consequential amendments to other Acts*) and C-54 (*Protecting Children from Sexual Predators Act*) have identified financial impacts for Correctional Service of Canada (CSC) and the Parole Board of Canada (PBC). All other provisions in Bill C-10 were assessed by CSC and the PBC as having either no or minimal impact on the agencies.

The methodologies and assumptions used by CSC for both S-10 (**TAB A**) and C-54 (**TAB B**) are attached as separate annexes to this response. CSC's annex related to S-10 is a copy of what the Agency submitted as its part of the S-10 response to the Brison motion. Although the annex for the former C-54 shows projections for a five year period, only funding for the first two years was approved. Further funding would be based upon an assessment conducted after the first two years of implementation.

The methodologies and assumptions used by the PBC for both S-10 (**TAB C**) and C-54 (**TAB D**) are also attached as separate annexes to this response. The PBC's annex

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related to S-10 is also a copy of what the Agency submitted as its part of the S-10 response to the Brison motion.

In addition to the above context regarding CSC's annexes, I would like to highlight some of the key aspects of the general approach taken by CSC and the PBC in estimating the costs of proposed legislation.

First, cost estimates prepared by CSC and the PBC can be inter-related. For the PBC to determine potential costs it is sometimes necessary to obtain from CSC an estimate of the projected impacts on the offender population. An increase to the offender population will translate into an increase in parole reviews which will result in additional costs to the Board.

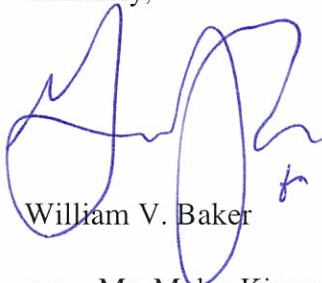
Secondly, forecasting changes in the federal offender population levels is complex and is affected by a number of drivers. For example, all anticipated increases in the federal population level are based on several assumptions, particularly those involving other parts of the criminal justice system. While it is possible to determine the most reasonably likely scenario, some variables cannot be completely controlled. Similarly, CSC uses historical data to forecast future trends. External events, such as changes to several laws simultaneously, could result in making the past trend line a less reliable predictor of future impacts. In addition, other drivers that could have an impact on population levels may not be known at the time of a given estimate. For example, there could be a large number of arrests and pending cases for a particular offence that may lead to a short-term spike in the number of offenders to be admitted to CSC custody. Given that CSC operates as one aspect of the larger criminal justice system, changes to aspects outside of CSC control can lead to over- or under- estimates of the offender population. This has been observed with respect to the projected increase in population in response to Bill C-25, *Truth in Sentencing Act*.

Finally, population forecasts are limited to available data. While CSC and the PBC both use comprehensive data tracking and management systems, not all variables are tracked by the criminal justice system that might be useful to contribute to reliable forecasts of the offender population. For example, details regarding victims (e.g., the age of the victim or relationship to the offender) are often not available. These and similar realities sometime limit CSC and the PBC's ability to project the impact of a particular proposal.

CSC and the PBC have provided estimates based on a process involving subject-matter expertise and a formula for translating forecasted offender population and related program demands (workload demands) into cost estimates. This is evident in the attached annexes where CSC and the PBC outline their respective costing methodologies and assumptions related to the S-10 and C-54 components of C-10.

Should you require any additional information, I would be pleased to assist you.

Sincerely,



William V. Baker

c.c.: Mr. Myles Kirvan  
Deputy Minister of Justice and Deputy Attorney General of Canada

Mr. Don Head  
Commissioner, Correctional Service of Canada

Mr. Harvey Cenaiko  
Chairperson, Parole Board of Canada