

Evaluation of the Transfer Payment Program for the Canadian Firearms Program

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Royal Canadian Mounted Police
Gendarmerie royale du Canada

Canada

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Évaluation du programme de paiements de transfert du Programme canadien des armes à feu

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Acronyms

AOCO	Aboriginal and/or Other Communities and Organizations
CFO	Chief Firearms Officer
CFP	Canadian Firearms Program
NHQ	National Headquarters
RCMP	Royal Canadian Mounted Police
TB	Treasury Board
TPP	Transfer Payment Program

EXECUTIVE SUMMARY



Context

The Transfer Payment Program (TPP) for the Canadian Firearms Program (CFP) is a program that provides payment from the Government of Canada to a province, Indigenous community or not-for-profit organization to assist with the administration of the *Firearms Act*. The TPP consists of two elements:

Element One: Firearms Funding Program for Opt-in Provinces. The Minister of Public Safety enters into agreements with provinces who opt to designate a Chief Firearms Officer (CFO) to administer the [Firearms Act](#) in their jurisdiction, and provides compensation for administrative costs incurred.

Element Two: Funding program for Aboriginal and/or Other Communities and Organizations (AOCO). The RCMP enters into agreements with Indigenous and not-for-profit organizations to support information and education on firearms safety and compliance with, the *Firearms Act*.

Since the last evaluation in 2020, several changes have been made to the TPP:

- Terms and conditions were updated and modernized;
- Funding methodology was updated;
- Roles and responsibilities were further defined; and,
- Funding packages were developed.

Evaluation objectives and scope

The objective of the evaluation was to provide a neutral, timely and evidence-based assessment of the TPP. The evaluation focused on the effectiveness and efficiency of the TPP against its stated objectives within element one and element two. The evaluation was based on the following questions:

1. To what extent is there effective administration and delivery of the transfer payment program?
 2. To what extent is there efficient administration and delivery of the transfer payment program?
-

Key takeaways

Overall, the evaluation found the TPP contributes to the effective administration of the Firearms Funding Program for Opt-in Provinces. Firearms services, including issuing, renewing, and revoking licences, are being provided by the opt-in provinces, and the Government of Canada is funding these services through the CFP. Provinces are complying with the requirements as outlined in the agreements.

AOCO is not operating effectively. There are no agreements currently in place and, as such, the available funding is not being used. This may be due to a lack of awareness about the program, as it is not being widely advertised.

The TPP process has become more equitable and efficient as a result of updating the terms and conditions, updating the funding formula to better reflect the volume and complexity of work, and further clarifying roles and responsibilities in the agreements. Interviewees stated that planned systems changes will strengthen efficiency. They also stated that efficiency could be gained through increased use of direct deposit, procurement authorization, and reducing the administrative burden for processing retroactive payments.

The evaluation made two recommendations aimed at clarifying the ownership and governance of the AOCO, increasing the promotion and use of the AOCO, and exploring options to reduce administrative inefficiencies relating to the financial processes.

EVALUATION APPROACH



Evaluation Objective and Scope

The objective of the evaluation was to examine the effectiveness and efficiency of the TPP for the CFP in accordance with the Treasury Board (TB) [Policy on Results](#). The TPP for the CFP is a grant and contribution program which requires an evaluation every five years as per the [Financial Administration Act](#). The last evaluation was completed in 2020.

This evaluation was national in scope and focused on the governance and delivery of the TPP. It covered the period between 2019-20 and 2023-24. The evaluation focused on the efficiency and effectiveness of the TPP, including the Firearms Funding Program for Opt-in Provinces and the funding program for AOCO. Royal Canadian Mounted Police (RCMP) National Headquarters (NHQ) and the opt-in provinces were engaged throughout the process. Gender Based Analysis Plus and Official Languages were considered in the design of the evaluation tools and methodologies.

The evaluation focused on two questions:

1. To what extent is there effective administration and delivery of the TPP?
2. To what extent is there efficient administration and delivery of the TPP?

Data Sources

Interviews:	Document/Literature Review: 22 documents
Video interviews were conducted with eight NHQ employees: <ul style="list-style-type: none">▪ Five CFP employees▪ Two financial CFP employees▪ One senior manager	Internal documentation was reviewed, such as: <ul style="list-style-type: none">▪ Policy and guidance documents▪ Annual reports▪ Reviews and assessments▪ Terms and Conditions
Data Analysis	Questionnaire:
Financial and internal performance data from the CFP was reviewed.	An online questionnaire was administered to the CFOs of the opt-in provinces from June 26 to July 18, 2024. Two of five recipients completed the questionnaire.

Limitations

- **Low questionnaire response rate:** There was a low response rate for the CFO questionnaire. To mitigate this, CFOs were given more time to complete the questionnaire.
- **Limited data for AOCO:** There was limited AOCO data available. To mitigate this, the data was triangulated with other lines of evidence to support the development of reliable findings.

Previous Evaluation

The TPP was most recently evaluated by National Program Evaluation Services in 2019-2020. The evaluation found that the TPP fulfills a need to ensure firearms safety and compliance and that it is implemented effectively. There were however some concerns about the clarity around roles and responsibilities, funding, and communication between the CFP and recipients.

Based on these findings, it was recommended that consistency in administration of the *Firearms Act* be improved by strengthening current operating procedures and further defining and communicating roles and responsibilities between the CFP and provinces.

Since the last evaluation this recommendation has been addressed and resolved.

Program Overview

The TPP for the CFP is a program that provides payment from the Government of Canada to a province, Indigenous community or not-for-profit organization to assist with the administration of the *Firearms Act*. The TPP consists of two elements:

1. Firearms Funding Program for Opt-in Provinces
2. Funding program for AOCO

Element One: Firearms Funding Program for Opt-in Provinces

Section 95 of the [Firearms Act](#) allows the Minister of Public Safety to enter into agreements with provinces that opt to designate a CFO for the administration of the Act in their jurisdiction. The Government of Canada compensates provinces for the costs incurred to administer:

- firearms licences for individuals and businesses;
- transfers of prohibited or restricted firearms;
- authorizations to transport and authorizations to carry firearms;
- authorizations for shooting clubs and shooting ranges; and,
- designating instructors to deliver firearms safety training.

As part of the agreement, recipients report on various aspects of the *Firearms Act*. The federal government designates federal CFOs to administer the *Firearms Act* for provinces who do not opt-in and for the territories.

Element Two: Funding Program for Aboriginal and/or Other Communities and Organizations

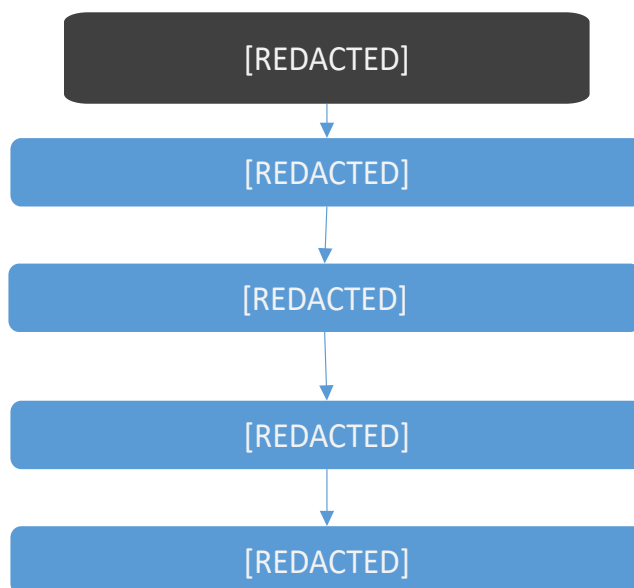
AOCO provides information and education on firearms legislation within Indigenous communities and not-for-profit organizations to facilitate the application of the *Firearms Act*. Element Two was established in 1998 with the objective of maximizing the safety benefits of the CFP through partnerships with Indigenous and non-Indigenous groups and organizations.

Program Enhancements

Since the 2019-20 evaluation, there have been several key changes to the terms and conditions of the Firearms Funding Program for Opt-in Provinces:

- The language has been modernized and updated to better align with policy;
- The method for calculating funding has been updated to reflect volume and complexity of work; and
- Roles and responsibilities have been further defined.

Another key change has been the creation of comprehensive funding packages which include all the necessary information for issuing payments to provinces.



FINDING 1: The TPP contributes to the effective administration of the Firearms Funding Program for Opt-in Provinces.

The *Firearms Act* gives the provinces authority to appoint their own CFO and administer certain aspects of the Act in their jurisdiction. The Government of Canada compensates the opt-in provinces for actual administrative costs incurred in the delivery of firearms services.

The evaluation found that provinces are effectively using the provided funding to administer the *Firearms Act*. TPP funding to opt-in provinces has supported the issuance of firearms licences. As shown in Table 1, the total number of firearms licences issued and renewed was relatively consistent from FY 2019-20 to 2023-24, with between 229,032 and 286,287 firearms licences issued and renewed. Ontario had the highest number of firearms licences issued and renewed each year.

In addition to issuing and renewing firearms licences, TPP funding also supports other activities involved with administering the *Firearms Act* as outlined in contribution agreements. For example, opt-in provinces are responsible for the revocation of firearms licences, which has remained stable since FY 2019-20, as shown in Table 2.

Table 1. Number of firearms licences issued and renewed

Fiscal Year	ON	QC	NS	NB	PEI	Total
2019-20	124,858	101,040	15,031	13,969	1,322	256,220
2020-21	112,612	88,896	13,978	13,347	1,199	230,032
2021-22	115,349	87,538	13,113	12,251	1,278	229,529
2022-23	138,863	90,271	16,087	14,595	1,324	261,140
2023-24	158,243	94,668	16,242	15,588	1,546	286,287
Total	649,925	462,413	74,451	69,750	6,669	1,263,208

Source: Cube - Licence New Renewal

Table 2: Number of firearms licences revoked

Fiscal Year	ON	QC	NS	NB	PEI	Total
2019-20	1,084	849	91	86	12	2,122
2020-21	749	1,039	71	101	6	1,966
2021-22	870	867	76	98	4	1,915
2022-23	829	755	49	87	13	1,733
2023-24	870	875	79	69	15	1,908
Total	4,402	4,385	366	441	50	9,644

Source: Cube - Licence New Renewal



FINDING 1 (continued)

The CFP publishes annual performance information on the RCMP's website that is measured against established service standards and performance targets. Based on the performance information published on the website, between 2019-20 and 2023-24 the CFP was within 0.4% of meeting the service standard across most areas, as shown in Table 3. The CFP ranged between 2% and 15% of meeting service standards in the area of firearms licensing for individuals.

Table 3. Service standards and performance targets for CFP services (opt-in provinces only) (2019-20 to 2023-24)

CFP services	Targets	2019-20	2020-21	2021-22	2022-23	2023-24
Firearms licensing (individuals)	45 days	90.95%	92.50%	85.95%	86.64%	98.37%
Firearms licensing (businesses)	30 days	99.94%	99.94%	99.99%	99.30%	99.79%
Authorizations to transport restricted and prohibited firearms	100% issued	100%	100%	100%	99.72%	99.62%
Authorizations to carry restricted firearms and certain handguns	30 days	99.70%	99.70%	99.61	99.61%	99.70%

Source: CFP Service Standards Report Number: 0058

Most interviewees reported that the TPP's policies and procedures are effective, as the necessary work is being completed and eligible activities funded after signing an agreement. Additionally, many interviewees confirmed that the provinces are adhering to the requirements outlined in the contribution agreements, for example, relating to quarterly reporting. Finally, some interviewees noted that the resources they provided to the provinces are available in both official languages but they could not confirm that all opt-in provinces were providing services in both official languages.



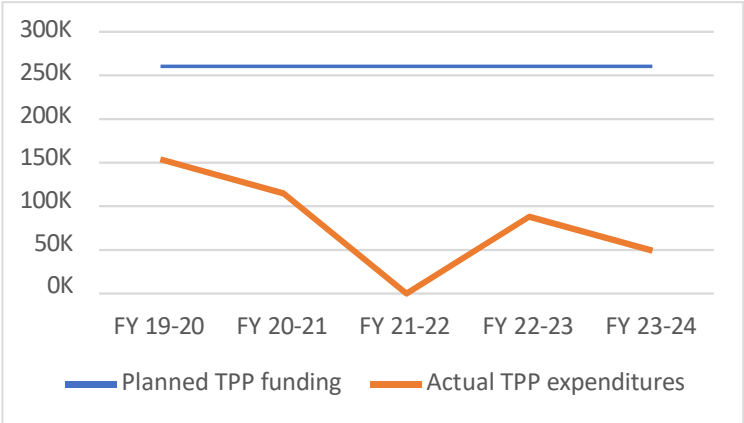
FINDING 2: The administration of the funding program for Aboriginal and/or Other Communities and Organizations could be improved to better realize its objectives.

As described in the AOCO Terms and Conditions, the objectives of the AOCO funding program are to provide information and education on the firearms legislation and to facilitate the application of, and compliance with, the *Firearms Act*. These objectives are designed to maximize safety benefits through partnerships with Indigenous and not-for-profit groups.

The evaluation found that the objectives of the AOCO were not being fully met and that it is not operating effectively, with few agreements signed over the last four years. As shown in Table 4, since 2021-22, five AOCO agreements were put in place, with zero in 2023-24. This is in contrast to data from the previous evaluation which indicated that between 2016-17 and 2018-19 there were four to 11 agreements signed each year and that, on average, AOCO supported the delivery of 65 safety courses involving about 630 individuals annually. As presented in Table 4, FY 2019-20 maintained similar numbers to the previous three years, but since then the number of agreements signed has declined considerably.

The decline has resulted in AOCO reaching fewer communities and program recipients than before, which reduces its overall impact.

Figure 1: TPP funding and expenditures for AOCO



Funding for AOCO is negotiated between the organization and the CFP.

As demonstrated in Figure 1, the actual spending for the AOCO element of the TPP was less than the planned spending during the reference period of the evaluation. Of note, no expenditures were recorded for FY 2021-2022, as there were no AOCO agreements during this time. Since the last evaluation, there has been a decrease in AOCO expenditures, as the number of agreements has decreased. This may be due to a lack of awareness of the program.

All interviewees confirmed that AOCO is currently not effective, noting that it is not promoted or advertised and does not have a website. The lack of promotion, lack of support with applications, and lack of an overall strategy to increase uptake in AOCO were mentioned as key deficits in Element Two of the TPP. However, it was noted that the application form was recently updated to make it more user-friendly and AOCO is being considered in the CFP’s Northern Services Review, with a view to increasing usage of the funding program.

Table 4: Results achieved through the AOCO

AOCO activities	2019-20	2020-21	2021-22	2022-23	2023-24
Agreements signed	8	2	1	2	0
Safety courses delivered	37	18	2	55	0
Individuals safety certified	460	264	30	339	0

Source: RCMP Departmental Results Report 2019-20, Departmental Results Report 2020-21, Departmental Results Report 2022-23
*Annual expenditures for AOCO may not match results achieved annually as AOCO agreements can span multiple years, and payments are issued after certain milestones are met, as such, sometimes payments are not issued until the following year

FINDING 3: Recent changes, such as updating the terms and conditions, developing a funding formula, and further clarifying roles and responsibilities, have made the TPP process more equitable and efficient. However, further efficiencies can be realized.

Eligibility for compensation varies by funding element of the TPP, with funding for opt-in provinces open to any province that enters into an agreement to administer the *Firearms Act*. One of the recent changes was to update the funding calculation for the 2022-23 to 2026-27 contribution agreements to better account for the volume and complexity of the work being done.

Payments for the provinces are at a fixed annual rate based on a nominal salary (average between the highest and lowest salaries of the different provinces) and operations and maintenance, with increases to cover potential salary deficits over the contribution agreement period.

As shown in Table 5, during fiscal years 2019-20 to 2021-22, opt-in provinces spending was relatively steady at around \$8 million. In 2022-23, expenditures decreased to approximately \$2.2 million. [REDACTED]

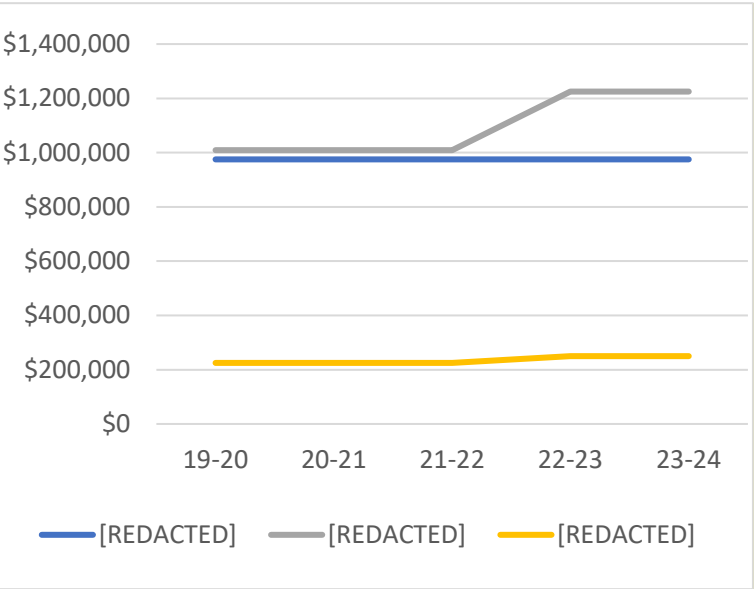
Table 5: TPP funding and expenditures for opt-in provinces

Fiscal year	Planned TPP funding	Actual TPP expenditures
2019-2020	\$14,230,000	\$8,323,260
2020-2021	\$14,230,000	\$8,190,541
2021-2022	\$14,230,000	\$8,358,999
2022-2023	\$14,230,000	\$2,212,152
2023-2024	\$14,230,000	\$60,445,964

[REDACTED]

With the reconfiguration of the funding formula, some provinces have seen an increase in funding since FY 2022-23.

Figure 2: [REDACTED]



[REDACTED]

All interviewees stated that the funding allocations were appropriate, and some mentioned there was a clear and consistent formula used to calculate the funding for each province.

However, noting the challenges in developing a formula that accurately calculates the resources needed for more complex investigations, one province suggested that the CFP could re-evaluate funding allocations mid-way through the agreement to account for cost increases or changes in service delivery.

FINDING 3 (continued)

Other changes made to the terms and conditions were modernizing the language and ensuring they conformed to changes in the Policy on Transfer Payments.

The evaluation found that the amendments to the terms and conditions of the Firearms Funding Program for Opt-in Provinces properly conformed to the Policy on Transfer Payments. Interviewees noted there were changes to the language used, and that subject matter experts, legal services, and TB Secretariat representatives were involved in the update.

The updating of the terms and conditions also included further clarification of the roles and responsibilities for both the provincial CFOs and the Government of Canada. These roles and responsibilities are set out in matrices within the Service Delivery Model (SDM).

Figure 4: Example of Roles and Responsibilities matrix from the SDM

	CFO	Canada
Application receipt, request for additional information and data capture		X
Conduct eligibility review of the licensee and data capture findings	X	
Review the eligibility of the firearm		X
Issue or refuse a new registration certificate		X
Revoke registration certificate		X

Interviewees indicated that the roles and responsibilities of both the RCMP and the recipients of the TPP are clearly defined since, in the most recent contribution agreements, the roles and responsibilities of the involved parties are clearly laid out in the SDM.

The CFOs who responded to the questionnaire agreed that the roles and responsibilities of both the RCMP and the provincial CFOs were clearly defined.

Another change to the TPP since the last evaluation has been the creation of a comprehensive funding package for each opt-in province. The funding packages are developed quarterly and include a note to the Director General of the CFP requesting payment authorization, a request to commit funds, an invoice, a breakdown of the payment claims, and a chart of activities. These packages ensure that all necessary information is available and improve accountability and transparency for payments.

Several efficiencies to improve the program were suggested:

- Continue improving the data management process and move away from using paper as a data collection tool. The CFP has introduced the Canadian Firearms Digital Services Solution (CFDSS) as part of its modernization plan. CFDSS is updating CFP data management systems, including Chief Firearms Office Activity Management and the Canadian Firearms Information System, which will help improve the effective and efficient administration of the TPP.
- Making improvements to financial processes. In particular, promoting the use of direct deposit by the opt-in provinces would improve financial processing by making payments more efficient. Additionally, streamlining the procurement authorization process to reserve funds could improve timeliness.
- Making improvements to the retroactive payments process. When provinces opt-in to the TPP they start administering the *Firearms Act*, but will not receive payment until they sign their contribution agreement. Retroactive payments are required when an opt-in province has signed their contribution agreement after already administering the *Firearms Act* for a year or more. The process for retroactive payments is extensive and includes creating a retroactive payment file to ensure the money is transferred to the next fiscal year and putting forward a TB submission for approval. To address the significant inefficiencies inherent in this process, a mechanism might be added to the terms and conditions to allow for retroactive payments without the need for a TB submission.

CONCLUSIONS

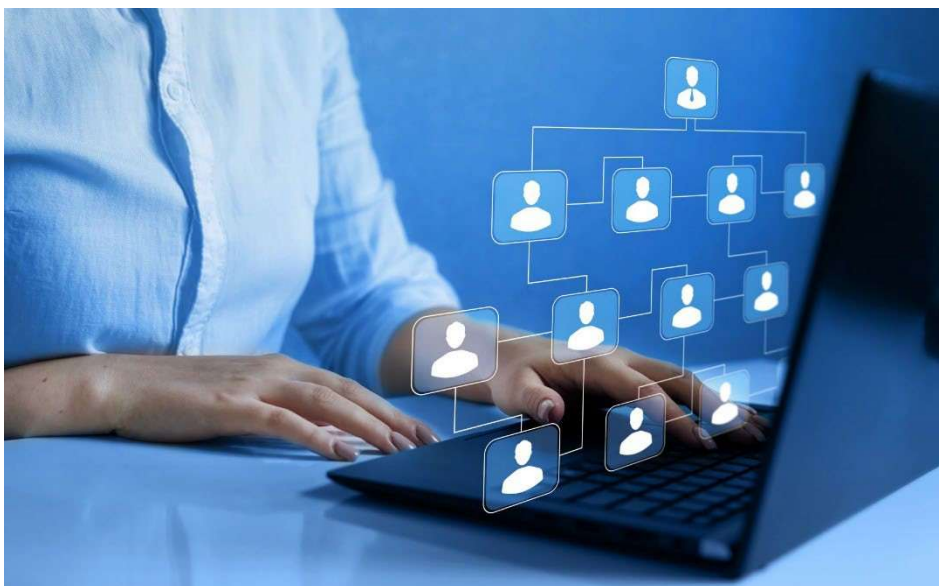


- Through the Firearms Funding Program for Opt-in Provinces, the opt-in provinces are able to effectively administer the Firearms Act within their jurisdiction.
- The Aboriginal and/or Other Communities and Organization contribution funding program is underutilized and under-promoted. In recent years there has been a decline in the number of AOCO agreements signed.
- Recent changes to the terms and conditions of the TPP agreements have made the process more equitable and efficient.
- Some inefficiencies are still present, related primarily to the processing of payments.



Recommendations

1. Explore options to better utilize AOCO funding through increased promotion and an assessment of how the program could be better leveraged in other RCMP CFP strategies involving northern communities.
2. Explore options to further enhance efficiencies in the TPP financial processes.



Management Response

The Canadian Firearms Program (CFP) welcomes the evaluation report and agrees with the two recommendations that, once implemented, will support the funding program for Aboriginal and/or Other Communities and Organizations (AOCO) and the delivery of the firearms Transfer Payment Program (TPP) for opt-in provinces.

Action Plan

Recommendation	Lead / Area of Responsibility	Planned Action	Diary Date
Explore options to better utilize AOCO funding through increased promotion and an assessment of how the program could be better leveraged in other RCMP CFP strategies involving northern communities.	DG CFP	Building on the CFP's recent Northern Services Review, and working with territorial governments and Chief Firearms Officers, the CFP will explore options to better promote AOCO and utilize AOCO funding. This will be achieved by increasing outreach to partners, communities, and Indigenous organizations. Key deliverables: <ul style="list-style-type: none"> - develop a communications strategy; and - distribute enhanced communications materials, including web content. 	September 2025
Explore options to further enhance efficiencies in the TPP financial processes.	DG CFP	The CFP will work with RCMP Financial Management to explore options to further enhance efficiencies in TPP financial processes. Key deliverables: <ul style="list-style-type: none"> - encouraging recipients to set up direct deposit; and - reviewing and updating the procurement process to eliminate any non-essential steps. 	March 2025