

Business Plan 2018–21

Labour

Accountability Statement

This business plan was prepared under my direction, taking into consideration our government's policy decisions as of March 7, 2018.

original signed by

Christina Gray, Minister

Ministry Overview

The ministry consists of the Department of Labour. The ministry protects workers' rights by regulating Alberta's workplaces and ensuring Alberta's labour legislation is fair and modern. The ministry also works to ensure that Alberta has a skilled workforce and an efficient labour market to support a thriving and diverse economy. Within the department's budget, funding is provided for the Alberta Labour Relations Board, the Appeals Commission for Alberta Workers' Compensation, the Workers' Compensation Medical Panels and the Fair Practices Office which are accountable to the minister. The Alberta Labour Relations Board (ALRB), an independent and impartial tribunal, administers, interprets and enforces Alberta's labour laws. The Appeals Commission for Alberta Workers' Compensation is the final level of appeal for workers' compensation matters. The Workers' Compensation Board, which is responsible for administering the workers' compensation system for Alberta, is a separate entity that is also accountable to the minister.

A more detailed description of Labour and its programs and initiatives can be found at www.work.alberta.ca.

Strategic Context

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Today's workers expect and deserve workplaces where their health and safety is protected, where they are treated fairly, and where their well-being is a priority. As the nature of work changes, the ministry must continue to ensure the rights of Alberta workers are respected. Legislation, education, and compliance systems must evolve as work evolves. Meeting this challenge means ensuring Alberta's labour laws are fair, balanced and in line with national and international standards. The ministry must support safe and healthy workplaces, while ensuring a fair and balanced framework for collective bargaining contributes to a positive labour relations environment. The ministry must also continue to promote and enforce workplace standards to ensure they reflect the needs of workers.

Alberta's economic recovery is underway, with nearly every sector of the provincial economy strengthening. Alberta is expected to lead all provinces in growth this year, with real GDP growth of 4 per cent. However, Alberta's labour market still faces challenges. Even with the slow recovery of the labour market, there are industries where labour and skills shortages persist. In addition, workers are also more mobile than ever before. This reinforces the need for Labour to continue to provide training and employment support for Albertans to ensure they are well-prepared to fill current and future jobs and meet the needs of Alberta employers. Training and employment programs also support economic diversification and provide opportunities that help Albertans participate in new and emerging sectors of the economy. The ministry must also work to ensure that newcomers have access to supports and services that will help them settle

successfully in Alberta and prepare them to contribute to Alberta's dynamic economy, while finding efficient ways to recognize qualifications from workers from outside the province. Understanding the workers of the future and understanding the needs of industry through comprehensive labour market information, forward looking research and data analysis will be crucial to building a skilled and resilient workforce for Alberta.

Advancing gender equality is a priority for our government. Gender equality is intrinsically linked to social and economic growth and is vital to the realization of human rights for all. Across government, this commitment has been operationalized through the adoption of Gender-based Analysis Plus (GBA+) and establishment of Centres of Responsibility in each ministry to assess the gender and diversity implications of engagement processes, policies, programs and initiatives.

Outcomes, Key Strategies and Performance Measures

Outcome One: **Workers are protected by a modern and balanced labour environment that promotes safe, fair and healthy workplaces**

Modernized workplace laws protect the rights and responsibilities of hardworking Albertans, enabling them to support their families, and help businesses attract and retain workers. They also make Alberta a more attractive place to live and work and are fundamental to ensuring Alberta workplaces are family-friendly, fair, and safe. The ministry works with employers and workers to prevent work-related injuries, illnesses and fatalities and to proactively address health and safety concerns. Through effective education and enforcement, it works to encourage a culture of proactive compliance. The ministry also works to educate employers and workers on their rights and responsibilities under legislation and when a disagreement arises, works to resolve such matters through dispute resolution services.

Key Strategies:

- 1.1 Lead the implementation of and transition to modernized labour laws that protect the workplace rights and well-being of working Albertans.
- 1.2 Protect the occupational health and safety, well-being and workplace rights of Albertans by engaging in timely compliance and dispute resolution services and conducting education and proactive activities.
- 1.3 Fully implement a \$15 minimum wage in Alberta.

Performance Measures	Last Actual (Year)	Target 2018-19	Target 2019-20	Target 2020-21
1.a Lost-time claim rate: Number of lost-time claims per 100 person-years worked ¹	1.25	1.15	1.11	1.06
Disabling injury rate: Number of disabling injuries per 100 person-years worked ¹	2.36 (2016)	2.19	2.11	2.03
1.b Percentage of employment standards complaints completed within 180 days of date complaint received	49% (2016-17)	55%	60%	65%
1.c Percentage of employment standards complaints resolved using mediation, settlement, compromise or other voluntary means	84% (2016-17)	84%	84%	84%
1.d Number of Occupational Health and Safety (OHS) inspections	12,266 (2016-17)	12,000	12,000	12,000

Note:

¹ One person-year is equivalent to one full-time worker working for one year or 2,000 hours worked.

Linking Performance Measures to Outcomes:

- 1.a Safe and healthy workplaces can be defined as the absence of work related injuries and diseases. The lost-time claim rate and disabling injury rate assess the incidence of workplace injury and disease. The disabling injury rate covers a broader range of injuries than the lost-time claim rate.
- 1.b Timely investigation and decision-making is critical for complaint processes and for Albertans seeking resolution.
- 1.c This measure assesses the efforts of ministry staff in educating employers and encouraging the fair and equitable resolution of matters for workers that arise over terms and conditions of employment.
- 1.d Demonstrates the ministry's efforts to enforce compliance with provincial legislation and promote safe and healthy workplaces.

Outcome Two: Workers have access to timely, fair and independent adjudication and dispute resolution services

The ministry seeks to promote positive labour and management relations throughout Alberta and helps to resolve disputes in collective bargaining negotiations by providing mediation services. The Alberta Labour Relations Board (ALRB) and the Appeals Commission for Alberta Workers' Compensation are independent entities that report to the minister.

The ALRB, an independent and impartial tribunal, administers, interprets and enforces Alberta's labour laws. The ALRB processes applications from trade unions, employers and employees and holds hearings. The ALRB ensures Alberta's labour laws are equitably applied, actively encourages dispute resolution and makes major policy decisions surrounding the application of provincial labour legislation. The jurisdiction of the ALRB has expanded to include marshalling of disputes, appeals of arbitrator decisions and remedies for reprisals under Whistleblower legislation. The Board has also taken on responsibility for appeals under Occupational Health and Safety legislation and will take on appeals under Employment Standards legislation.

The Appeals Commission for Alberta Workers' Compensation provides a timely, fair and independent appeals process consistent with legislation, policy and the principles of natural justice. The Appeals Commission is the final level of appeal for Workers' Compensation matters.

Key Strategies:

- 2.1 Provide effective labour relations dispute resolution services through ministry-appointed mediators and develop a Grievance Mediation program to provide an early, cost effective alternative to arbitration.
- 2.2 Recruit for diversity when adding new qualified persons to the Designated Mediator Roster and the Grievance Arbitrator Roster.
- 2.3 Promote the use of alternative dispute resolution methods through the Alberta Labour Relations Board and provide efficient, timely, effective and consistent services to the Alberta labour relations community.
- 2.4 Enhance access to justice by providing timely and fair appeal services through the Appeals Commission for Alberta Workers' Compensation and providing stakeholders with the assistance they require to be active participants in the appeals process.
- 2.5 Establish an independent fair practices office to provide Albertans with the assistance they require to navigate the workers' compensation system.

Performance Measures	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
2.a Average number of days from the acceptance of an application to the date of the first ALRB hearing	66	70	70	70
2.b Percentage of decisions rendered by the ALRB within 90 calendar days from the completion of the hearing(s)	63%	85%	85%	85%
2.c Percentage of decisions not challenged, or if challenged, supported by the Appeals Commission's reconsideration process, the Court of Queen's Bench, the Court of Appeal or the Alberta Ombudsman	98.2%	98.0%	98.0%	98.0%
2.d Percentage of collective bargaining cases with the assistance of a ministry-appointed mediator in which parties resolved within two days	84.2%	75%	75%	75%

Linking Performance Measures to Outcomes:

- 2.a Assesses the timely processing of applications brought forward to the ALRB.
- 2.b Assesses the timely completion of decisions rendered by the ALRB.
- 2.c Assesses the quality of decisions rendered by the Appeals Commission for Alberta Workers' Compensation and ensures stakeholders can expect the decisions of the commission to be consistent with policy and legislation and consistent with other decisions of the commission.
- 2.d Indicates the ministry's ability to appoint appropriate and effective mediators so that parties may come to a resolution.

Performance Indicator	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016
2.a Person-days lost to strikes and lockouts per 1,000 employees: Work days not worked in the calendar year due to legal strikes and lockouts per 1,000 employees	24.6	24.4	2.1	0.3	0.4

Outcome Three: **Workers and newcomers are well-prepared to participate in Alberta's dynamic labour market**

As Alberta's economy continues to recover, the ministry supports Albertans in connecting to current and future job opportunities. Training and employment programs help Albertans participate in new and emerging sectors of the economy and workforce adjustment plans support workers transitioning from sectors experiencing significant job loss. The ministry develops and aligns evidence-based policies and programs to address Alberta's labour market requirements and works with other ministries, industry and the federal government to shape Alberta's labour market policy. It also supports employers in attracting, developing and retaining qualified workers, and in collaboration with other provinces and territories, works to reduce barriers to labour mobility across Canada. Newcomers to our province contribute to our communities and support economic diversification. The ministry works with federal, municipal and community partners to help newcomers settle successfully in the province.

Key Strategies:

- 3.1 Develop, administer and assess training and employment programs, in collaboration with federal and provincial partners that connect Albertans to jobs in response to Alberta's current and future needs.
- 3.2 Contribute to the implementation of recommendations outlined by the Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples.
- 3.3 Support Albertans to obtain labour market experiences and active participation in the labour force through the Summer Temporary Employment Program (STEP) and the Canada-Alberta Job Grant (CAJG).

- 3.4 Develop labour market information to support informed decision-making by Albertans, government, communities, training providers and employers.
- 3.5 Modernize programs and systems to ensure effective labour mobility provisions and recognition of qualifications to attract skilled newcomers from outside Alberta and Canada to address current and future skills shortages.
- 3.6 Support newcomers and refugees to settle in Alberta and effectively attach to the labour market in collaboration with federal and provincial partners.

Performance Measures	Last Actual (Year)	Target 2018-19	Target 2019-20	Target 2020-21
3.a Percentage of training for work clients reporting they are either employed or in further education or training after leaving a skills training program	62% (2016)	70%	70%	70%
3.b Number of immigrants to Canada through the Provincial Nominee Program who choose Alberta as their destination ¹	7,395 (2016-17)	8,000	8,600	9,600

Note:

¹ Immigrants include the principal applicant, spouse and dependants.

Linking Performance Measures to Outcomes:

- 3.a Demonstrates the ministry's success in assisting clients to transition to employment or further education or training.
- 3.b Indication of Alberta's ability to supplement its workforce by measuring the number of immigrants to Canada through the Provincial Nominee Program that choose to immigrate to Alberta.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
3.a Percentage of Alberta Immigrant Nominee Program nominees surveyed who report that they are still residing and working in Alberta one year after obtaining permanent residency	82.4% (2011)	88.5% (2012)	88.5% (2013)	83.9% (2014)	85.8% (2015)
3.b Labour force participation rate of:					
• All Albertans (aged 25–64)	84.9%	84.6%	84.2%	84.3%	84.2%
• Indigenous Albertans living off-reserve (aged 25–64)	80.0%	79.6%	78.5%	76.6%	78.9%
• Alberta's immigrant population (aged 25–64)	84.1%	83.3%	83.6%	83.6%	83.6%
• Alberta youth (aged 15–24)	68.2% (2012)	67.9% (2013)	67.4% (2014)	68.6% (2015)	67.6% (2016)

Risks to Achieving Outcomes

The most significant risks affecting Labour's ability to achieve its mandate cover a broad area of policy and delivery concerns.

A key risk for the ministry continues to be inherent to Alberta's changing economic conditions. As economic recovery continues, the ministry will continue its work to make life better for Alberta workers and employers and help get everyday Albertans back to work. An opportunity for the ministry to streamline and adopt innovative approaches to business processes will enable enhanced program delivery as the economy continues to recover and grow.

Demographic and population changes present both an opportunity and a risk for the ministry. Demographic changes provide a valuable opportunity to add diversity to workplaces and to the ministry's agencies, boards and commissions. At the same time, the ministry is challenged to develop new approaches to service delivery for those who have unique needs, placing increased demands on the ministry's resources.

Changing Federal Government priorities and renegotiations on federal funding may require the ministry to rapidly adapt programming to ensure this funding is effectively utilized and that programming meets client needs.

Educating and engaging stakeholders will provide an opportunity for the ministry to increase stakeholder and Albertans' knowledge of their rights and responsibilities under the new legislation.

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable			2018-19 Estimate	2019-20 Target	2020-21 Target
	2016-17 Actual	2017-18 Budget	2017-18 Forecast			
REVENUE						
Internal Government Transfers	-	700	1,117	2,330	250	-
Labour Market Development	68,841	48,066	52,066	58,322	81,387	87,290
Other Revenue	57,909	63,792	63,792	77,781	84,075	86,413
Premiums, Fees and Licences	2,480	2,185	3,185	3,386	3,386	3,386
Transfers from Government of Canada	413	-	-	-	-	-
Ministry Total	129,643	114,743	120,160	141,819	169,098	177,089
Inter-Ministry Consolidations	-	(700)	(1,117)	(2,330)	(250)	-
Consolidated Total	129,643	114,043	119,043	139,489	168,848	177,089
EXPENSE						
Ministry Support Services	8,446	7,672	7,693	7,655	7,655	7,655
Workforce Strategies	104,202	106,847	109,168	116,310	120,829	124,788
Safe, Fair and Healthy Workplaces	61,290	65,525	65,084	77,621	79,748	82,057
Labour Relations Board	3,772	3,586	3,586	4,487	4,487	4,487
Appeals Commission for Alberta Workers' Compensation	11,756	13,668	13,620	13,635	13,635	13,635
Medical Panels Office for Alberta Workers' Compensation	326	355	355	1,355	1,355	1,355
Fair Practices Office	-	-	-	3,470	6,940	6,940
Climate Leadership Plan	-	-	960	6,400	4,650	7,450
Ministry Total	189,792	197,653	200,466	230,933	239,299	248,367
Inter-Ministry Consolidations	(4,513)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Consolidated Total	185,279	195,653	198,466	228,933	237,299	246,367
Net Operating Result	(55,636)	(81,610)	(79,423)	(89,444)	(68,451)	(69,278)
CAPITAL INVESTMENT						
Workforce Strategies	1,369	-	1,296	-	-	-
Safe, Fair and Healthy Workplaces	450	900	2,980	1,900	1,150	900
Labour Relations Board	-	700	1,117	2,330	250	-
Appeals Commission for Alberta Workers' Compensation	-	-	48	-	-	-
Ministry Total	1,819	1,600	5,441	4,230	1,400	900
Inter-Ministry Consolidations	-	(700)	(1,117)	(2,330)	(250)	-
Consolidated Total	1,819	900	4,324	1,900	1,150	900