

BUSINESS PLAN 2017–20

Labour

ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 3, 2017.

original signed by

Christina Gray, Minister

MINISTRY OVERVIEW

The ministry consists of the Department of Labour. The ministry protects workers' rights by ensuring fair and modern legislation and regulating Alberta's workplaces. 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 Occupational Health and Safety Council, 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.

Through training and employment programs, the ministry will focus on positioning workers for success in current economic conditions; supporting economic diversification developing programs and training opportunities that help people participate in new and emerging sectors of the economy; and getting Albertans back to work.

Even with fluctuations in the economy, 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. 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.

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**

Balanced labour laws are fundamental to ensuring safe, fair and healthy workplaces for Albertans that contribute to labour productivity and make Alberta a more attractive place to live and work. A fair and balanced labour environment means legislation and regulations protect workers' rights while remaining fair to both workers and employers. The ministry regulates Alberta's workplaces, enacts family-friendly labour legislation, works to promote illness and injury prevention and assists employers and employees in proactively addressing health and safety concerns. It also encourages a culture of proactive compliance through effective education and enforcement.

Key Strategies:

- 1.1 Ensure Alberta's labour laws are balanced and support safe, fair and healthy workplaces.
- 1.2 Increase Alberta's minimum wage to \$15 per hour by 2018.
- 1.3 In partnership with Agriculture and Forestry, incorporate the farm and ranch sector fully into Alberta's labour regulations to ensure waged, non-family farm and ranch workers are better protected when at work.
- 1.4 Enhance prevention by promoting evidence-based best practices with employers and workers through communication, education, partnerships and undertaking proactive inspection initiatives and programs.
- 1.5 Improve the protection of worker rights and safety through more timely inspections, investigations and enforcement activities to address non-compliance.

Performance Measures	Last Actual (Year)	Target 2017-18	Target 2018-19	Target 2019-20
1.a Lost-time claim rate: Number of lost-time claims per 100 person-years worked ¹	1.26 (2015)	1.19	1.16	1.12
1.b Disabling injury rate: Number of disabling injuries per 100 person-years worked ¹	2.36 (2015)	2.24	2.18	2.12
1.c Percentage of employment standards complaints completed within 180 days of date complaint received	49% (2015-16)	60%	65%	70%
1.d Percentage of employment standards complaints resolved using mediation, settlement, compromise or other voluntary means	79% (2015-16)	85%	86%	87%
1.e Number of Occupational Health and Safety (OHS) inspections	9,151 (2015-16)	10,500	11,000	11,500

Notes:

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 and 1.b 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.c Assesses the timely completion of employment standards investigations.
- 1.d Voluntary resolution of employment standards complaints encourages fair and equitable resolution of matters arising over terms and conditions of employment.
- 1.e 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. It ensures Alberta's labour laws are equitably applied and actively encourages dispute resolution, employs officers for investigations and makes major policy decisions surrounding the application of provincial labour legislation.

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

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 As mediators and arbitrators are replaced, increase diversity on mediator and arbitrator rosters.
- 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.

Performance Measures	Last Actual 2015-16	Target 2017-18	Target 2018-19	Target 2019-20
2.a Average number of days from the acceptance of an application to the date of the first ALRB hearing ¹	62	70	70	70
2.b Percentage of decisions rendered by the ALRB within 90 calendar days from the completion of the hearing(s)	54%	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	98.9%	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	79%	75%	75%	75%

Note:

¹ The ALRB strives to hear all applications within 70 days of receipt of the application.

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)
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

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

The ministry continues to support Albertans through the economic downturn by providing training and employment programs that connect them to jobs today and prepare them for the jobs of tomorrow. In some areas of employment, employers continue to have difficulty finding and retaining workers at all skill levels. Skilled international newcomers bring new ideas and opportunities, and support the diversification of the economy and Alberta's communities. The ministry supports employers in attracting, developing and retaining qualified workers, collaborating with other ministries, industry and the federal government to shape Alberta's labour market policy. The ministry develops and aligns evidence-based policies and programs to address Alberta's labour market requirements. Finally, the ministry works with federal, municipal and community partners to support the successful settlement and integration of all newcomers to Alberta, including refugees.

Key Strategies:

- 3.1 Connect Albertans to jobs by developing and administering training and employment programs that respond to Albertans' and employers' current and future needs.
- 3.2 Support Albertans to obtain meaningful labour market experiences and active participation in the labour force through the Summer Temporary Employment Program (STEP).
- 3.3 Develop labour market information to support informed decision-making by Albertans, government, communities, training providers and employers.
- 3.4 Help address current and future skills shortages by attracting skilled newcomers through effective labour mobility provisions and the recognition of qualifications for workers coming from outside Alberta and Canada.
- 3.5 Collaborate with federal and provincial partners to enhance the province's capacity to efficiently and effectively settle newcomers and refugees, supporting their attachment to the labour market.
- 3.6 Contribute to the implementation of recommendations outlined by the Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples.

Performance Measures	Last Actual (Year)	Target 2017-18	Target 2018-19	Target 2019-20
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	68% (2015)	70%	70%	70%

Performance Measures	Last Actual (Year)	Target 2017-18	Target 2018-19	Target 2019-20
3.b Number of immigrants to Canada through the Provincial Nominee Program who choose Alberta as their destination ¹	10,697 (2015-16)	9,900	9,900	9,900

Note:

¹ Immigrants include the principal applicant, spouse and dependents.

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	87.8% (2010)	82.4% (2011)	88.5% (2012)	88.5% (2013)	83.9% (2014)
3.b Labour force participation rate of:					
• All Albertans (aged 25–64)	84.4% (2011)	84.9% (2012)	84.6% (2013)	84.2% (2014)	84.3% (2015)
• Aboriginal Albertans living off-reserve (aged 25–64)	74.4% (2011)	80.0% (2012)	79.6% (2013)	78.5% (2014)	76.6% (2015)
• Alberta's immigrant population (aged 25–64)	83.5% (2011)	84.1% (2012)	83.3% (2013)	83.6% (2014)	83.6% (2015)
• Alberta youth (aged 15–24)	69.9% (2011)	68.2% (2012)	67.9% (2013)	67.4% (2014)	68.6% (2015)

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 is inherent in Alberta's changing economic conditions. The ministry will continue to be challenged to find innovative ways of meeting the needs of Alberta's workers and employers as economic conditions change.

Increasing population diversity presents both an opportunity and a risk for the ministry. Alberta's changing population provides a valuable opportunity to add diverse viewpoints to workplaces and to the ministry's agencies, boards and commissions. At the same time, Labour must develop new approaches to deliver effective services to those who have unique needs, such as newcomers who might be vulnerable to unsafe workplaces or unfair labour practices, which places increased demands on the ministry's resources.

Outdated legislation and regulations must be reviewed and modernized when necessary to reduce the risk of delaying resolution of matters for workers and the public, while also providing strong protection for workers. At the same time, the ministry must meet high expectations for transparency and engagement when making any legislative changes.

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable			2017-18 Estimate	2018-19 Target	2019-20 Target
	2015-16 Actual	2016-17 Budget	2016-17 Forecast			
REVENUE						
Internal Government Transfers	-	-	-	700	-	-
Labour Market Development	44,369	48,616	57,974	48,066	55,300	55,300
Other Revenue	56,018	61,772	61,772	63,792	63,342	63,342
Premiums, Fees and Licences	1,413	2,185	2,185	2,185	2,185	2,185
Transfers from Government of Canada	1,075	413	413	-	-	-
Ministry Total	102,875	112,986	122,344	114,743	120,827	120,827
Inter-Ministry Consolidations	-	-	-	(700)	-	-
Consolidated Total	102,875	112,986	122,344	114,043	120,827	120,827
EXPENSE						
Ministry Support Services	14,028	9,971	12,971	12,734	13,173	13,817
Workforce Strategies	99,915	115,406	108,206	108,574	118,253	120,845
Safe, Fair and Healthy Workplaces	59,199	64,258	64,258	66,480	66,741	67,576
Labour Relations Board	3,327	3,622	3,622	3,586	3,742	3,924
Appeals Commission for Alberta Workers' Compensation	12,399	13,816	13,816	13,668	13,668	13,668
Ministry Total	188,868	207,073	202,873	205,042	215,577	219,830
Inter-Ministry Consolidations	(2,141)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Consolidated Total	186,727	205,073	200,873	203,042	213,577	217,830
Net Operating Result	(83,852)	(92,087)	(78,529)	(88,999)	(92,750)	(97,003)
CAPITAL INVESTMENT						
Ministry Support Services	51	-	-	-	-	-
Workforce Strategies	1,809	-	1,472	-	-	-
Safe, Fair and Healthy Workplaces	757	900	900	900	900	900
Labour Relations Board	-	-	-	700	-	-
Appeals Commission for Alberta Workers' Compensation	85	-	-	-	-	-
Ministry Total	2,702	900	2,372	1,600	900	900
Inter-Ministry Consolidations	-	-	-	(700)	-	-
Consolidated Total	2,702	900	2,372	900	900	900