

BUSINESS PLAN 2016–19

Labour

ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 17, 2016.

original signed by

Christina Gray, Minister

MINISTRY OVERVIEW

The ministry consists of the Department of Labour. 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 Workers' Compensation Board, which is an employer-funded, non-profit organization legislated to administer the workers' compensation system for Alberta, is a separate entity that is also accountable to the minister.

The ministry's role in workforce and workplace policy and program development contributes to a better quality of life for Albertans. The ministry supports the needs of workers, employers and Albertans by focusing on growing a skilled workforce for the jobs of today as well as tomorrow, through a workplace environment that is safe, fair and healthy.

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 safety is assured; where they are treated fairly, and where their physical and mental health is a priority. As the nature of work changes, and more work is part-time, contracted, or precarious, the ministry must continue to ensure the rights of Alberta workers are respected. Maintaining fair workplaces is a priority for the ministry as it works to ensure workplace standards remain relevant and reflect the needs of workers in Alberta. The ministry will work to modernize Alberta's labour laws to ensure they are effective and family-friendly and include provisions for compassionate care. It is also committed to engaging stakeholders as it works to improve income for minimum wage earners through the evaluation of Alberta's minimum wage. The ministry must also ensure a fair and balanced framework for collective bargaining contributes to a stable labour relations environment. Legislation, education, compliance and enforcement programs that ensure adequate health, safety and employment standards for Alberta workers must evolve as work evolves.

After a significant period of exceptional growth, Alberta is now in an economic downturn, along with much of the country and the world. Alberta's labour market has cooled and layoffs have affected many workers, particularly in the oil and gas sector. The ministry will focus on positioning workers for success in these new economic conditions; supporting economic diversification and climate change plans; developing programs and training opportunities that

help people fully participate in the economy and getting Albertans back to work. To assist Albertans in entering or re-entering the workforce, the ministry provides occupation-related skills training and work experience along with financial support for Albertans attending approved employment and training programs. The ministry will provide support to students to gain work experience and to participate in skill-building opportunities through the Summer Temporary Employment Program (STEP), which will also benefit employers across the province through a wage subsidy. Historically, some groups have been under-represented in Alberta's labour market, including Indigenous people, youth, immigrants and women. Improving equality of outcomes for these groups makes both social and economic sense; individuals get access to opportunities and employers get access to untapped pools of employees.

Even with fluctuations in the economy, there are industries where labour and skills shortages persist. These challenges reinforce the need for Labour to continue to provide training and re-training for Albertans, develop and refine programs and services, and find more 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. The ministry is also responsible for the legislation that governs professional regulatory organizations which protects public interest.

Although interprovincial migration will decrease with economic uncertainty, as globalization has intensified and labour mobility has increased, Alberta will continue to attract migrants from around the world. Alberta may see increasing numbers of migrants from conflict areas, including a significant number of Syrian refugees expected to arrive in Alberta in 2016. Increasing cultural diversity in Alberta challenges Labour to deliver effective services to those who have unique needs, particularly newcomers whose language barriers or differing views on the workplace might make them vulnerable to unsafe workplaces or unfair labour practices. In 2016-19, the ministry will focus significant effort on implementing plans to support cultural diversity and to help refugees become settled and begin contributing to Alberta as their new home.

The most significant risks affecting Labour's ability to achieve its mandate cover a broad area of policy and delivery concerns. Currently, the *Employment Standards Code* and *Labour Relations Code* require increased clarity and modernization to ensure these important regulations balance the protection of workers' rights and the needs of employers. In addition, Alberta was the only Canadian jurisdiction with broad labour regulation exemptions for the farm and ranch sector. The *Enhanced Protection for Farm and Ranch Workers Act* will ensure that basic occupational health and safety rules are now in place for farms and ranches with waged, non-family workers. This year, consultations will be held with all stakeholders, including farmers and ranchers, on regulations that fall under the framework.

Labour has also identified risk in the shifting roles and responsibilities between various orders of government. Labour will need to work hard to build and maintain strong relationships with Indigenous communities and understand their needs and role in employment programming, particularly as these roles are affected by the implementation of the United Nations Declaration on the Rights of Indigenous Peoples. Additionally, changes in federal government funding for labour market development mean the ministry will also be challenged to find ways of meeting Albertans' and employers' needs within a more constrained funding environment.

Labour understands that public expectations are high for transparency, accountability and engaging with citizens. The ministry will aim to meet the expectations for fulsome discussions with stakeholders and across all levels of government.

OUTCOMES, KEY STRATEGIES AND PERFORMANCE MEASURES

Outcome One: Alberta's labour laws and labour environment are fair and balanced

The ministry works to provide a fair and balanced framework for labour relations in the province. Strong labour laws are fundamental to building a strong, diverse and safe workforce that supports equality of outcomes for all Albertans.

Modern and relevant employment standards help ensure Albertans are treated with dignity and respect and have the opportunity to maximize their full potential. They also help ensure Alberta workplaces are fair and competitive for the long-term. The ministry is also working to make work more fair by improving the income for those who work for minimum wage. In addition, the ministry is working to ensure labour legislation is fair to unionized employees while ensuring essential services are there for Albertans. Through Alberta's labour legislation, the province upholds its commitments to the International Labour Organization for minimum worker ages. The ministry works to ensure there are equal opportunities for women in Alberta's workplaces.

Key Strategies:

- 1.1 Ensure Alberta's labour and workplace legislation and policies are effective and family-friendly.
- 1.2 Evaluate increases to Alberta's minimum wage, considering economic conditions.
- 1.3 Develop an essential services model for the Alberta public sector and provide effective labour relations dispute resolution services.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
1.a Percentage of collective bargaining agreements with the assistance of a ministry-appointed mediator settled without a work stoppage	100%	95%	95%	95%

Linking Performance Measures to Outcomes:

- 1.a Assesses the effectiveness of ministry appointed mediators to assist parties in successfully negotiating collective agreements.

Performance Indicator	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15
1.a Percentage of collective bargaining agreements negotiated without a strike or lockout	99.7%	99.1%	98.3%	97.8%	100%

Outcome Two: **Alberta's collective bargaining laws are fairly and equitably applied**

The Alberta Labour Relations Board (ALRB) is an independent and impartial tribunal responsible for the day-to-day application and interpretation of Alberta's labour laws. The ALRB processes applications from trade unions, employers and employees and holds hearings. The ALRB actively encourages dispute resolution, employs officers for investigations and makes major policy decisions surrounding the application of provincial labour relations. Governing legislation related to this program includes the *Labour Relations Code*, *Public Service Employee Relations Act*, *Police Officers Collective Bargaining Act* and the *Public Education Collective Bargaining Act*. The ALRB also has limited responsibility under various other pieces of legislation such as the *Post Secondary Learning Act*.

The ALRB's mission is to administer, interpret and enforce Alberta's collective bargaining laws in an impartial, knowledgeable, efficient, timely and consistent way.

Key Strategies:

- 2.1 Continue to provide efficient, timely, effective and consistent services to the Alberta labour relations community.
- 2.2 Promote the use of alternative dispute resolution methods to solve issues before reaching formal hearings.
- 2.3 Continue to issue clear and timely decisions.
- 2.4 Enhance information technology resources, including transitioning to a new case management system, to enable the ALRB to be more responsive and timely.

Performance Measures	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
2.a Average number of days from the acceptance of an application to the date of the first ALRB hearing ¹	60	70	70	70
2.b Percentage of decisions rendered by the ALRB within 90 calendar days from the completion of the hearing(s)	60%	85%	85%	85%
2.c Percentage of applications, with ALRB involvement, settled before reaching a formal hearing	72%	57%	57%	57%

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 ALRB's work towards assisting parties in settling their disputes outside of formal adjudication.

Outcome Three: Alberta has safe, fair and healthy workplaces that protect the status of all employees and workers

Every worker in Alberta has the right to a safe, fair and healthy workplace. The ministry promotes preventative actions, regulates and monitors Alberta's workplaces and encourages positive relations through effective communication, education, enforcement and dispute resolution. The ministry also develops program initiatives to promote illness and injury prevention and to assist employers and employees in proactively addressing health and safety concerns. Safe, fair and healthy workplaces contribute to labour productivity and improve the quality of life for Albertans. They also make Alberta a more attractive place to live and work. The ministry is working to revise the Occupational Health and Safety Code to provide clarity and ensure the rules remain current, relevant and effective for Alberta's workplaces.

Key Strategies:

- 3.1 In partnership with Agriculture and Forestry, incorporate the farm and ranch sector into Alberta's labour laws to ensure waged, non-family farm and ranch workers are better protected when at work.
- 3.2 Improve the delivery of employment standards to Albertans with a focus on providing quality, timely and fair services.
- 3.3 Prevent injury and illness in Alberta workplaces, in collaboration with partners and other ministries.
- 3.4 Improve workplace compliance with occupational health and safety and employment standards legislation by identifying workplace trends, balancing education and enforcement activities, and continuing evidence-based initiatives for those who may be most vulnerable to unsafe workplaces.
- 3.5 Conduct a review of Alberta's worker compensation process and the Alberta Workers' Compensation Board to ensure workers and employers receive fair and equitable treatment.

Performance Measures	Last Actual Year	Target 2016-17	Target 2017-18	Target 2018-19
3.a Lost-time claim rate: • Number of lost-time claims per 100 person-years worked	1.31 (2014)	1.24	1.21	1.18
3.b Disabling injury rate: • Number of disabling injuries per 100 person-years worked	2.63 (2014)	2.59	2.57	2.55

Performance Measures	Last Actual Year	Target 2016-17	Target 2017-18	Target 2018-19
3.c Percentage of employment standards complaints completed within 180 days of date complaint received	42% (2014-15)	65%	65%	65%
3.d Percentage of employment standards complaints with voluntary resolution	74% (2014-15)	80%	80%	80%
3.e Percentage of employed Albertans who perceive Alberta workplaces are safe	93% (2014-15)	94%	94%	94%

Linking Performance Measures to Outcomes:

- 3.a and 3.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.
- 3.c Assesses the timely completion of employment standards investigations.
- 3.d Voluntary resolution of employment standards complaints encourages fair and equitable resolution of matters arising over terms and conditions of employment.
- 3.e Assesses the perception of the ministry's work towards promoting safe, fair and healthy workplaces throughout the province where workers feel safe and comfortable to work.

Outcome Four: **Albertans have access to timely, fair and independent appeal services through the Appeals Commission for Alberta Workers' Compensation**

The Appeals Commission for Alberta Workers' Compensation is the final level of appeal for workers' compensation matters in Alberta. The Appeals Commission operates under the authority of the *Workers' Compensation Act*. Its mission is to provide a timely, fair and independent appeals process consistent with legislation, policy and the principles of natural justice. The Appeals Commission is independent of the Workers' Compensation Board and is accountable to the Minister of Labour.

Key Strategies:

- 4.1 Continue to provide timely and fair appeal services through the Appeals Commission for Alberta Workers' Compensation.
- 4.2 Enhance the existing quality management program to ensure the quality and timeliness of the decisions published by the Commission.
- 4.3 Enhance access to justice by providing stakeholders with the assistance they require to be active participants in the appeals process.
- 4.4 Enhance information technology resources, including transitioning to electronic document management, to enable the Commission to be more responsive and timely in the course of an appeal.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
4.a 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	99.2%	98.0%	98.0%	98.0%

Linking Performance Measures to Outcomes:

- 4.a 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.

Outcome Five: Albertans have the skills required by Alberta's labour market

The ministry provides programs and services targeting various labour market challenges including the need for training. Employment initiatives targeted at under-represented groups, such as Indigenous people, youth, immigrants and women, help build a strong and diversified workforce. The ministry helps Albertans find and maintain employment or enter self-employment through the provision of occupation related skills training and work experience. The ministry also provides financial support for Albertans attending approved employment and training programs and provides transition support services to help Albertans enter or re-enter the workforce. The ministry supports employers and employer associations in attracting and retaining workers and provides support to people adapting to workplace change. A strong summer employment program helps students learn skills and gain valuable work experience that can help career development.

Key Strategies:

- 5.1 Provide funding for occupation related training for unemployed or marginally employed Albertans to help them enter or re-enter the workforce.
- 5.2 Develop and administer workplace training and employment programs to ensure employees are being trained in high-demand areas and to assist employers in developing workers and addressing skills mismatches.
- 5.3 Improve participation in Alberta's workforce through targeted initiatives to support and assist all Albertans, and in particular, under-represented groups, in being better prepared to fully participate in Alberta's economy.
- 5.4 Assist young Albertans in entering the Alberta labour force through the Summer Temporary Employment Program (STEP).
- 5.5 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 Measure	Last Actual 2015	Target 2016-17	Target 2017-18	Target 2018-19
5.a Interprovincial rank of Alberta's labour force participation rate (#1 is the highest) ¹	#1	#1	#1	#1

Note:

- ¹ Labour force participation rate represents the percentage of Albertans aged 15 to 64 who are either employed or actively seeking employment.

Linking Performance Measures to Outcomes:

- 5.a A strong economy requires an active labour force. This measure assesses Alberta's effectiveness in addressing labour force needs relative to that of other provinces.

Performance Indicators	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015
5.a Labour force participation rate of: ¹					
• All Albertans	73.6%	73.6%	73.1%	72.7%	73.0%
• Aboriginal Albertans living off-reserve	67.5%	71.0%	71.9%	72.2%	70.7%
• Alberta's immigrant population	70.2%	70.1%	68.4%	69.9%	70.4%
• Alberta youth (aged 15–24)	69.9%	68.2%	67.9%	67.4%	68.6%
5.b Unemployment rate of: ²					
• All Albertans	5.4%	4.6%	4.6%	4.7%	6.0%
• Aboriginal Albertans living off-reserve	11.3%	11.3%	8.7%	8.1%	11.7%
• Alberta's immigrant population	5.8%	5.5%	5.2%	5.3%	7.1%
• Alberta youth (aged 15–24)	10.6%	9.0%	8.5%	9.5%	10.7%

Notes:

- ¹ Labour force participation rate represents the percentage of Albertans aged 15 to 64 who are either employed or actively seeking employment.
- ² Unemployment rate represents the percentage of Alberta's labour force (persons that are either employed or actively seeking employment) that is unemployed.

Outcome Six: Alberta is able to attract and retain a skilled, resilient and productive workforce to support a diversified economy

Despite the recent economic downturn, some employers continue to have difficulty finding and retaining workers at all skill levels. The ministry works with other ministries, industry and the federal government to shape Alberta's labour market policy. Supporting employers to attract, develop and retain qualified workers is crucial to building the skilled workforce that will help grow the economy. Alberta welcomes international talent to help create new ideas and opportunities and to support the diversification of the economy and Alberta's communities. The ministry also works with federal, municipal and community partners to support the successful settlement of newcomers into Alberta, including refugees.

Labour market information is crucial to supporting informed decisions regarding workforce planning, education and training investments. The ministry develops and aligns evidence-based policies and programs to address Alberta's economic labour force requirements. Changes to the Temporary Foreign Worker program have strengthened the need for employers to employ Canadians first. The ministry works to increase the participation of all Albertans who are willing and able to work, increase workplace productivity; and, address lower employment rates for under-represented groups and challenges in filling available positions.

Key Strategies:

- 6.1 Address productivity through targeted work with employers to increase skills training, including English as a Second Language programming.
- 6.2 Develop labour market information to support informed decision-making by Albertans, government, communities, training providers and employers.
- 6.3 Develop and implement initiatives to strengthen the recognition of qualifications of workers coming from outside Alberta and ensure strong interprovincial labour mobility provisions for Alberta.
- 6.4 Assist Alberta employers in supplementing their workforce through targeted labour attraction, retention and mobility strategies.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
6.a Number of immigrants to Canada through the Provincial Nominee Program who choose Alberta as their destination ¹	10,663	9,600	9,600	9,600

Note:

¹ Includes principal applicant, spouse and dependents.

Linking Performance Measures to Outcomes:

- 6.a 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 Indicator	Actual 2010	Actual 2011	Actual 2012	Actual 2013
6.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%	82.4%	88.5%	88.5%

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable			2016-17 Estimate	2017-18 Target	2018-19 Target
	2014-15 Actual	2015-16 Budget	2015-16 Forecast			
REVENUE						
Labour Market Development	45,141	48,927	52,052	57,419	64,027	64,027
Other Revenue	50,357	57,846	57,846	61,772	60,933	60,483
Premiums, Fees and Licences	1,325	2,185	2,185	2,185	2,185	2,185
Transfers from Government of Canada	1,212	1,075	1,075	413	-	-
Consolidated Total	98,035	110,033	113,158	121,789	127,145	126,695
EXPENSE						
Ministry Support Services	9,002	10,318	12,818	9,971	9,923	10,362
Workforce Strategies	84,486	114,579	107,868	121,908	127,990	130,435
Safe, Fair and Healthy Workplaces	56,874	61,616	61,616	64,258	63,215	63,476
Labour Relations Board	3,183	3,631	3,631	3,622	3,615	3,771
Appeals Commission for Alberta Workers' Compensation	12,115	13,294	13,294	13,816	13,686	13,686
Ministry Total	165,660	203,438	199,227	213,575	218,429	221,730
Inter-Ministry Consolidations	(3,582)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Consolidated Total	162,078	201,438	197,227	211,575	216,429	219,730
Net Operating Result	(64,043)	(91,405)	(84,069)	(89,786)	(89,284)	(93,035)
CAPITAL INVESTMENT						
Ministry Support Services	6	-	100	-	-	-
Workforce Strategies	367	-	2,100	-	-	-
Safe, Fair and Healthy Workplaces	172	900	1,000	900	900	900
Appeals Commission for Alberta Workers' Compensation	214	300	300	-	-	-
Total	759	1,200	3,500	900	900	900