First Session, 28th Legislature, 62 Elizabeth II

## THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 46**

# **PUBLIC SERVICE SALARY RESTRAINT ACT**

| THE PRESIDENT OF TREASURY BOARD AND MINISTER OF FINANCE |
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| First Reading   |
| Second Reading  |
| Committee of the Whole                                  |
| Third Reading   |
| Royal Assent  |
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## **BILL 46**

2013

# PUBLIC SERVICE SALARY RESTRAINT ACT

(Assented to , 2013)

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#### Preamble

WHEREAS the Government of Alberta is committed to living within its means, to spending based on needs and priorities, to saving more and to reducing deficits;

WHEREAS the Government of Alberta is seeking a better market alignment of salaries given that salaries for job classifications under the collective agreement between the Government of Alberta and the Alberta Union of Provincial Employees generally exceed those paid to employees in the public service of comparable provinces;

WHEREAS the need for fiscal restraint and reasonable market alignment must be balanced with the need to have skilled employees to deliver the programs and services Albertans require, within the context of Alberta's competitive labour market; and

WHEREAS the collective agreement between the Government of Alberta and the Alberta Union of Provincial Employees expired on March 31, 2013 and a new collective agreement has not yet been concluded;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

#### Interpretation

- **1(1)** In this Act,
  - (a) "employee" means a full-time employee, part-time employee or wage employee;
  - (b) "former collective agreement" means the collective agreement between the parties dated May 17, 2011, including any amendments made to the collective agreement prior to the coming into force of this Act;
  - (c) "full-time employee" means a person who on April 1, 2014 is an employee as defined in Article 1.01(h)(i) or (ii) of the Master Agreement who is in a full-time position;
  - (d) "lump sum payment" means a lump sum payment referred to in section 3;
  - (e) "Master Agreement" means the Master Agreement of the former collective agreement;
  - (f) "Minister" means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;
  - (g) "new collective agreement" means a collective agreement entered into between the parties on or after April 1, 2013, but before
    - (i) January 31, 2014, or
    - (ii) March 31, 2014 if the Lieutenant Governor in Council determines this later date to be necessary or desirable in the public interest;
  - (h) "parties" means the Crown in right of Alberta and the Alberta Union of Provincial Employees;

- (i) "part-time employee" means a person who on April 1, 2014 is an employee as defined in Article 1.01(h)(i) or (ii) of the Master Agreement who is in a part-time position;
- (j) "rates of pay" means the rates of pay referred to in Article 45 of the Master Agreement and as specified in the subsidiary agreements to the former collective agreement;
- (k) "wage employee" means a person who on April 1, 2014 is an employee as defined in Article 1.01(h)(iii) of the Master Agreement.
- (2) For the purposes of this Act,
  - (a) a reference to year 1 means the period April 1, 2013 to March 31, 2014;
  - (b) a reference to year 2 means the period April 1, 2014 to March 31, 2015;
  - (c) a reference to year 3 means the period April 1, 2015 to March 31, 2016;
  - (d) a reference to year 4 means the period April 1, 2016 to March 31, 2017.

#### Extension of former collective agreement

- **2** If no new collective agreement is entered into between the parties on or before the applicable date set out in section 1(1)(g),
  - (a) the former collective agreement is extended and deemed to be in effect for the period April 1, 2013 to March 31, 2017,
  - (b) the rates of pay in the former collective agreement are increased by
    - (i) 0% in year 1,
    - (ii) 0% in year 2,
    - (iii) 1% in year 3, and
    - (iv) 1% in year 4,

- (c) Article 47 of the Master Agreement is amended by striking out "March 31, 2013" and substituting "March 31, 2017", and
- (d) subject to section 3(3), each employee is eligible to receive a lump sum payment in an amount determined under section 3, less lawful deductions, as soon after April 1, 2014 as payment can practicably be made.

### Lump sum payment

- **3(1)** The amount of the lump sum payment that a full-time employee is eligible to receive under section 2(d) is \$875.
- (2) The amount of the lump sum payment that a part-time employee or wage employee is eligible to receive under section 2(d) is a prorated portion of the amount referred to in subsection (1) as determined in accordance with a written direction of the Minister.
- (3) An employee is not eligible to receive a lump sum payment under section 2(d) if, on April 1, 2014, the employee is
  - (a) on a leave of absence and receiving workers' compensation benefits,
  - (b) on a leave of absence and receiving payments under the Government Long Term Disability Plan referred to in Article 33A of the Master Agreement,
  - (c) on parental or adoption leave as described in Article 40 of the Master Agreement,
  - (d) on maternity leave as described in Article 40A of the Master Agreement, or
  - (e) on a leave of absence as described in Article 46 of the Master Agreement,

and that leave began before April 1, 2013.

(4) A lump sum payment is not subject to the deduction and remittance of union dues under Article 8 of the Master Agreement.

## Non-application of PSERA and other enactments

- **4(1)** The following do not apply to the parties with respect to entering into a new collective agreement:
  - (a) Division 2 of Part 6 of the *Public Service Employee Relations Act*;
  - (b) any other enactment specified in the regulations.
- (2) Without limiting the generality of subsection (1)(a), proceedings, if any, underway between the parties under Division 2 of Part 6 of the *Public Service Employee Relations Act* are terminated immediately.
- (3) If as of the date of the coming into force of this Act a compulsory arbitration board has been established under Division 2 of Part 6 of the *Public Service Employee Relations Act* in respect of a dispute between the parties, the reasonable expenses and remuneration of any person appointed to that board are payable by the Crown in right of Alberta.

#### Conflicts between enactments

**5** If there is a conflict or inconsistency between this Act and the *Public Service Employee Relations Act* or between this Act and any other enactment, this Act prevails to the extent of the conflict or inconsistency.

#### Revised version of former collective agreement

**6** If the former collective agreement is extended pursuant to section 2, the Public Service Commissioner shall prepare and provide to the Alberta Union of Provincial Employees a revised version of the former collective agreement that reflects the changes to the former collective agreement described in section 2(a) to (c).

#### Ministerial regulations

- 7 The Minister may make regulations
  - (a) specifying enactments for the purposes of section 4(1)(b);
  - (b) defining any word or expression used but not defined in this Act;

(c) respecting any matter that the Minister considers necessary or advisable to carry out the intent and purpose of this Act.

# Repeal

**8** This Act is repealed on Proclamation.

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