

1977 Bill 248

Third Session, 18th Legislature, 26 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 248

AN ACT TO AMEND THE ALBERTA LABOUR ACT, 1973

MR. NOTLEY

First Reading

Second Reading

Third Reading

Bill 248
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AN ACT TO AMEND THE ALBERTA LABOUR ACT, 1973

(Assented to _____, 1977)

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

1. *The Alberta Labour Act, 1973 is amended by this Act.*

2. *Section 48 is repealed and the following is substituted:*

48. (1) Every employer shall be deemed to hold all wages accruing due to an employee in trust for the employee for the payment of such wages in the manner and at the time provided under this Act and the regulations, and the amount thereof shall be a charge upon the assets of the employer or his estate and shall, notwithstanding any other Act, have priority over all secured, preferred, ordinary or general creditors, the Crown and any agent of the Crown and all other claims against the assets.

(2) Notwithstanding subsection (1), an employee is entitled to recover from his employer all wages owing and not paid to the employee by pursuing any lawful remedy provided for the recovery of wages and no employer shall, in an action, suit or other proceeding brought against him by an employee for the recovery of wages, set off any amount against, or claim any reduction of, the employee's demand by reason of the delivery to him of goods, wares or merchandise on account of wages.

(3) Where an employer has failed or neglected to hold wages in trust as provided by subsection (1) and the assets of the employer are not sufficient to pay in full the monies held in trust for each of his employees, the employees shall, as amongst themselves, share the assets of the employer in proportion to the wages due to each.

(4) Notwithstanding subsections (1), (2) and (3), in a case referred to in subsection (3), an employee who is a director of a company which is the employer in the case is not entitled to the benefits provided to employees by this section until such time as the claims for wages of the other employee or employees of the company have been satisfied.

3. *This Act comes into force upon the day on which it is assented to.*

Explanatory Notes

General

The proposed change in section 48 would ensure that wages owing to a firm's employees would have clear and indisputable priority over any other type of claim against an employer. This will ensure, in cases of bankruptcy, that employees' wages are paid whenever possible.

1. This Bill will amend chapter 33 of the Statutes of Alberta, 1973.

2. Amends s. 48.