

2013 Bill 209

First Session, 28th Legislature, 62 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 209

**SEVERANCE AND BONUS LIMITATION
STATUTES AMENDMENT ACT, 2013**

MR. ANDERSON

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 209
Mr. Anderson

BILL 209

2013

SEVERANCE AND BONUS LIMITATION STATUTES AMENDMENT ACT, 2013

(Assented to _____, 2013)

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

Alberta Investment Management Corporation Act

Amends RSA 2000 cA-26.5

1(1) The *Alberta Investment Management Corporation Act* is amended by this section.

(2) Section 8 is amended by renumbering it as section 8(1) and by adding the following after subsection (1):

(2) Section 14.1 of the *Public Service Act* applies with all necessary modifications to employees of the Corporation.

Alberta Utilities Commission Act

Amends RSA 2000 cA-37.5

2(1) The *Alberta Utilities Commission Act* is amended by this section.

(2) Section 68 is amended

(a) by adding “except as provided in subsection (3)” after “providing services to the Commission”;

Explanatory Notes

Alberta Investment Management Corporation Act

1(1) Amends chapter A-26.5 of the Revised Statutes of Alberta 2000.

(2) Section 8 presently reads:

8 The Corporation may engage employees for the purpose of carrying on the business of the Corporation and may determine their conditions of service.

Alberta Utilities Commission Act

2(1) Amends chapter A-37.2 of the Revised Statutes of Alberta 2000.

(2) Section 68 presently reads:

68(1) The Commission may

(a) employ persons as the Commission considers necessary for the transaction of its business,

(b) by adding the following after subsection (2):

(3) Section 14.1 of the *Public Service Act* applies with all necessary modifications to employees of the Commission.

Public Service Act

Amends RSA 2000 cP-42

3(1) The *Public Service Act* is amended by this section.

(2) The following is added after section 14:

Limitation on severance and bonus payments

14.1(1) In this section,

- (a) “employee” includes a deputy head and staff employed in a Minister’s office;
- (b) “severance” means a payment to an employee by the employer for the abolition of a position, the termination of employment or the end of employment but does not include vacation pay, overtime, benefits or pension to which the employee is entitled.

(2) This section operates notwithstanding any other provision of this Act, regulations made under this Act or policies, directives or guidelines under this Act or any other Act concerning compensation for employees.

(3) No severance shall exceed \$100 000 unless the employee has worked more than 5 years in the same position in which case the severance shall not exceed \$200 000.

(4) No severance shall be paid to an employee who has collected severance in the preceding 5 years from a department.

(5) No performance bonus or any other bonus shall be paid to an employee in any year that is greater than 15 per cent of the employee’s annual income.

- (b) *prescribe the duties, conditions of employment and remuneration of persons employed by it, and*
 - (c) *from time to time engage the services of experts or persons having special technical or other knowledge to assist in carrying out the Commission's powers, duties and functions.*
- (2) *The Public Service Act does not apply to the Commission or to the Commission's employees or persons providing services to the Commission.*

Public Service Act

- 3(1)** Amends chapter P-42 of the Revised Statutes of Alberta 2000.
- (2) Limitation on severance and bonus payments.

- (6) Any bonus payable to an employee that is greater than \$2000 must be based on publicly disclosed objective performance criteria which is made available to the employee.
- (7) Any agreement, other than a collective agreement under the *Public Service Employee Relations Act*, that contains a provision where the employee is entitled to severance or a bonus that is greater than the amounts stated in this section is of no force or effect to the extent of the inconsistency as of the date that this section comes into force.
- (8) For greater certainty and notwithstanding any other provision to the contrary in this or any other enactment, information concerning the amount of severance or bonus paid to an employee, including the employee's name, must be provided in response to a request under the *Freedom of Information and Protection of Privacy Act*.

Regional Health Authorities Act

Amends RSA 2000 cR-10

4(1) The *Regional Health Authorities Act* is amended by this section.

(2) The following is added after section 26:

Limitation on severance and bonus

26.1(1) In this section,

- (a) "employee" includes any person who receives payment from a regional health authority for services offered by an individual but does not include any individual whose terms of employment are subject to a collective agreement;
- (b) "severance" means a payment to an employee by the employer for the abolition of a position, the termination of employment or the end of employment but does not include vacation pay, overtime, benefits or pension to which the employee is entitled.

(2) No severance shall exceed \$100 000 unless the employee has worked more than 5 years in the same position, in which case the severance shall not exceed \$200 000.

Regional Health Authorities Act

- 4(1)** Amends chapter R-10 of the Revised Statutes of Alberta 2000.
- (2) Limitation on severance and bonus payments.

- (3) No severance shall be paid to an employee who has collected severance in the preceding 5 years from the Crown in Right of Alberta or a regional health authority.
- (4) No performance bonus or any other bonus shall be paid to an employee in any year that is greater than 15 per cent of the employee's annual income.
- (5) Any bonus payable to an employee that is greater than \$2000 must be based on publicly disclosed objective performance criteria which is made available to the employee.
- (6) Any agreement that contains a provision where the employee is entitled to severance or a bonus that is greater than the amounts stated in this section is of no force or effect to the extent of the inconsistency as of the date that this section comes into force.
- (7) For greater certainty and notwithstanding any other provision to the contrary in this or any other enactment, information concerning the amount of severance or bonus paid to an employee, including the employee's name, must be provided in response to a request under the *Freedom of Information and Protection of Privacy Act*.

Workers' Compensation Act

Amends RSA 2000 cW-15

5(1) The *Workers' Compensation Act* is amended by this section.

(2) Section 4 is amended

(a) by adding “subsection (2) and” before “section 12(1),”;

(b) by renumbering it as subsection (1) and adding the following after subsection (1):

(2) Section 14.1 of the *Public Service Act* applies with all necessary modifications to employees of the Board.

Coming into Force

Coming into force

6 This Act comes into force on May 1, 2014.

Workers' Compensation Act

5(1) Amends chapter W-15 of the Revised Statutes of Alberta 2000.

(2) Section 4 presently reads:

4 Without limiting the generality of section 3, but subject to section 12(1), the Board may, notwithstanding any other enactment, hire the employees it considers necessary for the purposes of administering this Act and carrying out the business and affairs of the Board.

Coming into Force

6 Coming into force.

