



Legislative Assembly of Alberta

The 29th Legislature
Third Session

Standing Committee
on
Alberta's Economic Future

Ministry of Labour
Consideration of Main Estimates

Tuesday, April 11, 2017
9 a.m.

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The 29th Legislature
Third Session**

Standing Committee on Alberta's Economic Future

Sucha, Graham, Calgary-Shaw (ND), Chair
van Dijken, Glenn, Barrhead-Morinville-Westlock (W), Deputy Chair

Carson, Jonathon, Edmonton-Meadowlark (ND)
Connolly, Michael R.D., Calgary-Hawkwood (ND)
Coolahan, Craig, Calgary-Klein (ND)
Dach, Lorne, Edmonton-McClung (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Fitzpatrick, Maria M., Lethbridge-East (ND)
Gottfried, Richard, Calgary-Fish Creek (PC)
McIver, Ric, Calgary-Hays (PC)*
McPherson, Karen M., Calgary-Mackay-Nose Hill (ND)
Orr, Ronald, Lacombe-Ponoka (W)
Piquette, Colin, Athabasca-Sturgeon-Redwater (ND)
Schneider, David A., Little Bow (W)
Schreiner, Kim, Red Deer-North (ND)
Taylor, Wes, Battle River-Wainwright (W)

* substitution for Wayne Drysdale

Also in Attendance

Clark, Greg, Calgary-Elbow (AP)
Gill, Prab, Calgary-Greenway (PC)
Smith, Mark W., Drayton Valley-Devon (W)

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Law Clerk and Director of House Services
Trafton Koenig	Parliamentary Counsel
Stephanie LeBlanc	Parliamentary Counsel
Philip Massolin	Manager of Research and Committee Services
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Alberta's Economic Future

Participants

Ministry of Labour

Hon. Christina Gray, Minister

Maryann Everett, Assistant Deputy Minister, Workforce Strategies

Dana Hogemann, Acting Senior Financial Officer

Jeff Parr, Deputy Minister

9 a.m.

Tuesday, April 11, 2017

[Mr. Sucha in the chair]

**Ministry of Labour
Consideration of Main Estimates**

The Chair: Good morning, everyone. I'd like to call this meeting to order and welcome everyone to the meeting. The committee has under consideration the Ministry of Labour for the fiscal year ending March 31, 2018.

I'd ask that we go around the table and have all MLAs introduce themselves for the record. I'm Graham Sucha, the MLA for Calgary-Shaw and the chair of this committee. I will move to my right here.

Mr. van Dijken: Glenn van Dijken, MLA for Barrhead-Morinville-Westlock, deputy chair.

Mr. Schneider: Dave Schneider, Little Bow.

Mr. Orr: Ron Orr, Lacombe-Ponoka.

Mr. Smith: Mark Smith, Drayton Valley-Devon.

Mr. Clark: Good morning. Greg Clark, Calgary-Elbow.

Ms Hogemann: Dana Hogemann, acting SFO for Labour.

Mr. Parr: Jeff Parr, Deputy Minister of Labour. Our minister will be here shortly.

Ms Everett: I'm Maryann Everett, ADM for workforce strategies.

Mr. Carson: Good morning. Jon Carson, MLA for Edmonton-Meadowlark.

Mr. Coolahan: Good morning. Craig Coolahan, the MLA for Calgary-Klein.

Connolly: Michael Connolly, MLA for Calgary-Hawkwood.

Mr. Piquette: Good morning. Colin Piquette, the MLA for Athabasca-Sturgeon-Redwater.

Ms McPherson: Good morning. Karen McPherson, MLA for Calgary-Mackay-Nose Hill.

Mrs. Schreiner: Good morning. Kim Schreiner, MLA, Red Deer-North.

Ms Fitzpatrick: Maria Fitzpatrick, MLA, Lethbridge-East.

Mr. Dach: Lorne Dach, Edmonton-McClung.

The Chair: I'd like to note for the record that Mr. McIver is registered as a substitute for Mr. Drysdale.

Please note that the microphones are operated by *Hansard* and the committee proceedings are being audio- and video streamed. Please set your cellphones and other devices to silent for the duration of the meeting.

Hon. members, the standing orders set out the process for consideration of estimates. Before we proceed with the consideration of main estimates for the Ministry of Labour, I would like to go over briefly the standing orders governing the speaking rotations. As provided for in Standing Order 59.01(6), the rotations are as follows. The minister or a member of the Executive Council acting on the minister's behalf may make opening remarks not

exceeding 10 minutes. In the hour that follows, members of the Official Opposition and the minister may speak. For the next 20 minutes the members of the third party, if any, and the minister may speak. For the following 20 minutes members of any other party represented in the Assembly or any independent members and the minister may speak. For the next 20 minutes private members of the government caucus and the minister may speak. For the time remaining, we will follow the same rotation just outlined to the extent possible; however, speaking times are reduced to five minutes as set out in Standing Order 59.02(1)(c).

Members may speak more than once; however, the times for the rotations are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. For the final rotation, with speaking times of up to five minutes, once again a minister and a member may combine their speaking time for a maximum of 10 minutes. Discussion should flow through the chair at all times regardless of whether or not speaking time is being combined. Members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister. If members have any questions regarding speaking times or rotations, please feel free to send a note or speak directly to either the chair or the committee clerk about the process.

Three hours have been scheduled for consideration of the estimates from the Ministry of Labour. With the concurrence of the committee I will call a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Is anyone opposed to us having a break? All right.

Committee members, ministers, and other members who are not committee members may participate. However, only a committee member or an official substitute for a committee member may introduce an amendment during the committee review of the estimates.

Ministry officials may be present and at the direction of the minister may address the committee. Ministry officials seated in the gallery, if called upon, have access to a microphone in the gallery area. Ministry officials are reminded to introduce themselves prior to responding to any questions. We'll have pages available to make deliveries should any notes or other materials need to be passed between the gallery and the table. Members' staff may be present and seated along the committee room wall. Space permitting, opposition caucus staff may sit at the table; however, members have priority for seating at all times.

If debate is exhausted prior to three hours, the ministry estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 12 p.m.

Points of order will be dealt with as they arise, and the clock will continue to run.

Any written materials in response to questions raised during main estimates should be tabled by the minister in the Assembly for the benefit of all members.

Again I will remind all participants to address their questions and responses through the chair and not directly at each other.

The vote on estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on April 19th, 2017.

If there are amendments, an amendment to an estimate cannot seek to increase the amount of the estimate being considered, change the destination of a grant, or change the destination or purpose of a subsidy. An amendment may be proposed to reduce an estimate, but an amendment cannot propose to reduce the estimate by its full amount. The vote on amendments is deferred until Committee of Supply convenes on April 19, 2017. Amendments must be in writing and approved by Parliamentary Counsel prior to

the meeting at which they are being moved. Twenty copies of amendments, including the original, must be provided at the meeting for committee members and staff.

With that being said, I will now invite the Minister of Labour to begin with her opening remarks.

Ms Gray: Hello, everyone. Thank you very much, Mr. Chairman. It's an honour to be here today to discuss Alberta Labour's budget estimates for 2017-18 and to answer any of your questions. I'll start by introducing the staff who are here with me this morning. I have to my right Jeff Parr, Deputy Minister of Alberta Labour. We have Dana Hogemann, senior financial officer, and Maryann Everett, an ADM within the department. We also have with us staff and support from other areas behind us, so if there are other questions, we should be able to get you the answers you need.

Budget 2017 is all about making life better for Albertans. As our province's economy begins to recover, our focus continues to be on making Alberta's economy stronger and more resilient, supporting families, and helping Albertans get back to work, and that's exactly what my ministry has been working hard to do. We are supporting the needs of Alberta's workers and employers while ensuring our workplaces are safe and our labour laws are fair. Investing in our workers and employers is the first step to ensuring a strong and diversified workforce of the future.

Labour's budget reflects this through the investments we're making in skills training. By investing in skills training now, we can create an Alberta of tomorrow that benefits individuals, families, and our communities, and that's why we will continue to support our labour market programs with a \$28 million investment in 2017-18.

This includes \$26 million for the Canada-Alberta job grant, which supports employers to train existing and new employees. In 2016 the Canada-Alberta job grant approved more than 1,600 unique employer applications for 8,000 trainees. Over the life of the grant more than 11,000 training courses have been approved for a variety of training programs such as project management, risk management, health and safety courses, leadership skills, and driver training. The program lets employers decide who gets trained and what type of training their current or prospective employee should receive. For employers who are training potential workers, it's expected that the individual will be hired upon completion of training.

Alberta Labour's budget has also dedicated \$31 million for skills and training supports, which include programs such as training for work. Training for work is a suite of programs and services that help unemployed, marginally employed, and underrepresented groups in the workforce: programs such as the self-employment program, which facilitates entry into self-employment by offering individuals formal business training; the workplace training program, which supports employer-driven work site training and paid work experience to those who are unemployed or experience barriers to employment; and the transition to employment program, which provides one-on-one services that facilitate rapid attachment to the labour market through job matching, short-term training courses, and equipment required for the job.

Mr. Chairman, investing in Alberta's future means investing in our youth, and that's why we reintroduced the summer temporary employment program, or STEP, in 2016. This program opens doors for students of all ages to get the experience they need to enter the workforce. It also helps employers hire the staff they need to grow their business and support their community. I'm proud that our government reinstated STEP last year, and I'm also very excited to say that we opened up STEP to the small-business community for

the first time. This will allow our best and brightest young Albertans to work with enterprising small-business owners right in their own community. Last year 2,700 positions were funded at approximately 1,100 employers in Alberta. I've heard from many students that STEP allowed them to experience their chosen fields of study first-hand, supporting their long-term career goals. STEP will continue again this summer with an investment of \$10 million in 2017-18.

9:10

We also announced a \$1.7 million youth employment partnership with GenA that will help 350 young Albertans find work and prepare hundreds more to enter the workforce. This program will also connect employers with eager, talented prospective employees.

Mr. Chairman, part of setting people up for success in our workplaces is ensuring that these workplaces are safe, fair, and healthy. We know that competitive employers support workers with fair and modern work practices, and we want to ensure the same for all workers. That's why I announced the review of our province's labour legislation in March. Alberta's Employment Standards Code and Labour Relations Code have not been significantly updated since 1988, and this is the first step to ensure that our laws make sense for the modern workplace and to make sure that our workers have the same rights and protections as all other Canadians. That's exactly what government is out talking to Albertans about, to see if making sure that our workers have the same rights and protections as all other Canadians makes sense here in Alberta.

We've also allocated \$49 million to occupational health and safety, a \$2 million increase from last year's budget. This will allow us to devote additional resources to occupational health and safety, safety research in education, inspections, and investigations while also supporting the review of the Workers' Compensation Board, which will conclude later this spring. Protecting workers and preventing injuries and death is a top priority for our government because every worker deserves to come home safe at the end of the day.

Mr. Chairman, in total our 2017-18 consolidated budget of \$203 million is a \$2 million increase over last year's forecast of \$201 million. Given the challenging circumstances our province is facing, we are taking measures to ensure the most efficient use of financial resources: \$1.2 million has been identified as cost savings, which includes a \$400,000 reduction to achieve that additional 1 per cent savings in supplies and services; and an \$800,000 reduction due to the management employees pension plan employer contribution rate adjustment.

Labour's business plan and performance measures were also revised significantly for 2017 to 2020. Our new plan will focus on three main outcomes that will better support Albertans and the province's workforce. They include building a modern and balanced legislative framework that promotes health, safety, and fairness; making sure workers have access to fair and timely appeals and to independent adjudication of disputes through the Appeals Commission for Alberta workers' compensation, the Alberta Labour Relations Board; and finally, preparing workers for Alberta's labour market.

Mr. Chairman, we're creating the right conditions and opening the right doors to support a skilled and educated labour force get back to work. In a difficult economy everyday Albertans deserve a government that makes life better, and we will continue to do just that.

Thank you for allowing me some opening comments. I look forward to answering your questions.

The Chair: All right. Thank you, Minister.

For the hour that follows, members of the Official Opposition and the minister may speak. Would you like the timer set for 20-minute intervals?

Mr. van Dijken: Sure.

The Chair: All right. Please proceed.

Mr. van Dijken: Thank you, Chair, and thank you, Minister and your staff, for making your time available for questions today with regard to the work that you do, important work for all of Alberta to remain competitive and to remain a guiding light in our nation and throughout the world.

As you know, I'm the shadow minister of Labour. The government's overall budget is, frankly, very frightening to me, and we're looking at passing on an awful lot of debt and expecting our children to pay. This includes debt to pay for expenses that do not leave a future benefit. Infrastructure projects: it could be argued that they leave a future benefit. But many of the expenses incurred here are not able to do that. I do believe that we as a population should be cognizant of the fact that we need to pay as we go, but I would also like to recognize that your ministry's budget estimates are pretty much in line with last year's, and I look forward to learning more and hearing more about the cost savings that were found in some of the areas.

First, I'd like to focus on the business plan and ask a few questions with regard to the business plan that you've outlined. As I pointed out in the House, I notice that this year the name of your government's budget is Working to Make Life Better. Last year it was the Alberta Jobs Plan. We still have thousands of unemployed Albertans, and I think the focus could very well remain on getting Albertans back to work. So I want to talk about key strategy 1.1 in your business plan, "Ensure Alberta's labour laws are balanced and support safe, fair and healthy workplaces." Does this mean that your ministry is essentially shifting focus away from getting Albertans back to work?

Ms Gray: Thank you very much for the question. I'll just speak briefly about our business plan because we did revise it significantly. In fact, what we were trying to do was streamline it and focus it on three main outcomes. The business plan previously had six outcomes. They were largely organized around areas within the ministry. What we've chosen to do is align our business plan with our overall goals rather than the ministry's organizational structure.

You have asked me about that first outcome, which focuses on building a modern, balanced legislative framework that promotes health, safety, and fairness and having that strong set of labour laws to protect workers, which is very important, as is balancing the rights of workers with the needs of employers.

Our third outcome is centred around preparing workers for Alberta's dynamic labour market, and that includes supporting Albertans through the downturn and connecting people to jobs while ensuring that we're helping to settle newcomers. That also means ensuring that we're training our workers for the jobs that exist now and new jobs that emerge as our economy diversifies.

As you can see, we are still focused on making sure that we are connecting Albertans to the labour market. Through the jobs plan and this year's budget we are starting to see some real positivity: last month 20,000 new full-time jobs being created in the labour markets. We're pleased to see that, but we know that more work needs to be done. There are still lots of Albertans who are finding themselves unemployed, and we are investing in the services that will help connect them with that labour market.

Mr. van Dijken: Good. Thank you, Minister.

I hesitate to point out that the year-over-year numbers that are available on work.alberta.ca do show that we are still well behind last year. We have a net negative of 7,100 jobs compared to March of last year. It's interesting that your government is highlighting the 20,000 new jobs in March. We had a very similar jump last March and then continued to lose jobs right into the summer. I hope you're very aware of that and that your ministry is cognizant of that risk also.

The other thing I'd like to point out is that it's crucial that we are able to build these jobs in areas that will provide increased GDP in wealth-creating jobs in the province in order to support the services that we expect to benefit from, that all Albertans expect to benefit from.

I do see in your document that you talk a lot about balance: balance the labour environment, balance the legislation. I would like to get an understanding from you, Minister, what you see as balanced labour laws, what that looks like to you.

Ms Gray: In my role as Minister of Labour I am responsible for making sure that there is a fair and balanced labour relations system, one that respects the workers' rights to be able to collectively bargain while also respecting the needs and practices of employers within that system. Having a fair and balanced labour relations system means making sure that we have an environment that allows those workers to practise the rights that they have within a mechanism that does make sense.

In this case making sure that we have fair and balanced labour laws for me has meant starting a review and talking to the key stakeholders within the community, employers and workers, about Alberta's labour legislation, which has not been significantly updated since 1988, the time of the Calgary Winter Olympics. I often use that as . . .

9:20

Mr. van Dijken: Yes. Absolutely.

Minister, on page 111 of your business plan it states that "the ministry must meet high expectations for transparency and engagement when making any legislative changes." During this consultation period – I would suggest a very short consultation period considering the scope of the act – we've heard that some organizations have received an invitation to only one of the by-invitation-only consultations while others like the Alberta Federation of Labour have been present at multiple meetings. Maybe if you could explain your criteria for who gets invited to participate.

Ms Gray: Thank you very much for that question. We held four round-table discussions across the province: Grande Prairie, Lethbridge, Edmonton, and Calgary. There is a group of stakeholders that the department works with consistently. That would include labour representatives like the AFL, whom you've mentioned, but also business stakeholders, including the chambers. We have invited the chambers as a representative to every meeting, as we did AFL, because those two groups represent such a large number of stakeholders. We also wanted to make sure that every stakeholder interested in these discussions was able to join us, so invitations went out to representatives from employer groups, labour groups. Different organizations that are talking about workers' rights as well as those large employers also received invitations to join us at those round-table discussions.

Mr. van Dijken: Yeah. Absolutely, Minister.

Ms Gray: As well, we've invited all Albertans to submit feedback online if someone was not able to join us at the round-table.

Mr. van Dijken: I guess what concerns me a little bit is when we make the statement "must meet high expectations for transparency and engagement" for consultations. Are you confident that that is fully engaging industry and stakeholders within the province?

Ms Gray: Yes, I am, and I have that confidence for a number of reasons. Firstly, the review that we are doing is one that is focused. We're asking Albertans a specific set of questions regarding these discussions, specifically items and pieces that maybe haven't changed or may appear to be out of step with other jurisdictions: leaves, where other Canadians have access to leaves that Albertans do not. So with the focused nature of the reviews as well as the ability to engage the stakeholders that we've invited to the round-tables quite effectively as well as the ability to have additional submissions through the online process, we've been able to reach out directly to a very large number of Albertans as well as representative stakeholders through this process. I've received great feedback.

Mr. van Dijken: Good. Thank you, Minister.

So are these meetings being recorded in a way that is very transparent, and are those notes available for other people and participants to be able to review to see that there is transparency?

Ms Gray: At this point we are still engaging in the consultation. Exactly what the steps will be following the round-tables and when the online surveys have been completed have not been decided. I'm very pleased to be able to report that the stakeholders who have attended – Edmonton Chamber of Commerce, Progressive Contractors Association of Canada, Alberta Chambers of Commerce, Alberta Health, and I do have a list of some of those attendees. I've heard positive feedback from the attendees around the consultations and the content of that.

Mr. van Dijken: Good. Thank you, Minister.

So there is someone taking notes at these meetings, and then the ministry essentially is charged with summarizing all the results from these?

Ms Gray: In order to keep the costs reasonable for these engagements, we've been able to very effectively have the Labour ministry help support these round-table discussions. We have note takers at each table as well as facilitators from within the Labour ministry, and we are getting really great information and feedback from those consultations.

As well, the survey results that are coming in to us through the website are all being logged, of course, and stored in the databases so that we can access that.

Mr. van Dijken: Good. Thank you.

Is some of that information going to be made available, for public transparency?

Ms Gray: I don't know how we will be sharing the outcomes of these with Albertans, but certainly continuing the conversation is my intention. We just have not made those next-step decisions.

Mr. van Dijken: Good. Thank you.

The high expectation for engagement: when we look at a five-week consultation period to review this legislation, does that meet that criterion, the high expectation for engagement? I take a look at what's being done in Ontario, where they have a review in place

that was scheduled for two years. It's going beyond that. Do you feel that this meets that expectation of high engagement?

Ms Gray: Thank you for the question. As we embark on any engagement, we absolutely look at making sure that we are meeting our own high expectations. In this case I would reiterate that we are doing a focused conversation about several key areas, specifically the job-protected leaves, enforcement, administration.

Ontario is also doing a review, but I would highlight that the Ontario review is extremely different from what we are doing. Ontario is doing a soup-to-nuts review, where they are re-examining every aspect of their legislation, including some foundational questions like, "Who is an employee?" whereas we are looking at some very specific, focused items like: should Albertans have access to job-protected sick leave, which is something that's available in every other jurisdiction? The question we're asking is very different from the question that Ontario is asking.

Mr. van Dijken: Thank you, Minister.

So what you're saying essentially is that your review is of employment standards primarily and that there will be limited review of labour legislation.

Ms Gray: Our review of both employment standards and labour legislation is focused where we've asked for feedback on a specific number of items. In the case of our labour legislation you can see the focus of our review through the mandate letter to Andrew Sims, which is publicly posted, as well as the information that we've posted on that website. Similarly, in both cases we're asking some very specific questions, whereas in Ontario – you're correct – they are doing a much longer process. They essentially said: "Soup to nuts, let's look at absolutely everything. Let's engage every stakeholder and say, you know, 'What would you like to see?'" Here we're coming to stakeholders with questions.

Mr. van Dijken: Thank you, Minister.

I guess when we look at the mandate letter that's been submitted to Mr. Sims, much of the feedback we're receiving is with regard to how broad it is, that it doesn't appear to be very narrowly focused. I guess what we need to get an understanding of is: where is the focus within that mandate letter?

Ms Gray: The mandate letter identifies a few areas within the labour relations system – I've just got the mandate letter here – specific questions like whether the Rand formula should be put into use around collective agreements, specific questions around how we make sure that employees can "exercise their constitutional right to choose, change or cancel union representation, in a timely and effective way." I won't read through the entire letter for you. These are specific questions and issues within our Labour Relations Code. There are some larger discussions that could be had around labour relations.

One of the areas that we've not included in our mandate letter has to do with the construction industry. There have been reviews done on construction in the past, and we've not included that in our mandate letter at this point. Through this we are hoping to have those focused conversations rather than that broad, soup-to-nuts discussion that Ontario is having. We're doing something differently.

Mr. van Dijken: Okay. Thank you, Minister.

From that answer I would gather that there will be no implications for the construction industry with regard to this legislation review?

9:30

Ms Gray: The construction industry is likely to be involved in minor ways such as the way all collective bargaining might be impacted, but there are some very specific differences within the construction industry that we are not engaging in conversation on right now.

Mr. van Dijken: Okay. Thank you.

I'd like to move on to the budget estimates, page 204, line item 3, safe, fair, and healthy workplaces. Essentially, is this the line item the government's labour law review would fall under?

Ms Gray: Thank you. You'll just have to give me one moment to switch documents.

Mr. van Dijken: I'm trying to get an understanding of where the costs of this review would come under. I would guess that the employment standards portion of the review would come under line item 3.4, and then the labour relations portion of the review would come under line item 3.2?

Ms Gray: Thank you for that. Yes. That is correct.

Mr. van Dijken: Then if I could get an understanding of what the review under each of those is approximately costing to get completed, the employment standards portion and the labour relations portion.

Ms Gray: I'll ask my deputy minister, Jeff Parr, to assist on this.

Mr. Parr: Thank you very much. Through the chair, the major cost in the Labour Relations Code review is our contract with Mr. Sims. We budgeted all-in for that review about \$80,000. We're confident; we think it'll come in less than that.

The employment standards review. We've absorbed those costs in-house. Really, there are a number of costs. You know, our staff costs associated with putting together the survey, the staff costs associated with being at the consultation meeting: all those are just reflected in our day-to-day operations. The major costs there would be the additional cost with hosting the four round-table meetings. About \$20,000 is what we think that's costing us. We've quite deliberately tried to do this in a very inexpensive way, and again we would contrast it with what Ontario had done.

Mr. van Dijken: Thank you for that answer.

Again going back to "fair and balanced" in the business plan, we have under outcome 1, "Balanced labour laws are fundamental to ensuring safe, fair and healthy workplaces for Albertans," and key strategy 1.1 is to "ensure Alberta's labour laws are balanced." I need to get an understanding. Do you think at present our labour laws are not balanced as this has become such a huge focus within the ministry?

Ms Gray: Making sure that we have a balance within our workplace legislation: in order to adequately determine that, we really need to engage with the stakeholders, and that's part of what I'm doing now: going out and talking to employers, to workers, to get that sense of the system, how it's currently working, and what the stakeholders are thinking on the current system.

Within our workplace legislation there are a number of pieces: the Workers' Compensation Board legislation, employment standards, labour relations, and occupational health and safety. I would note that for each of these foundational pieces of our workplace legislation there had not been major changes or reviews done in decades: for the Workers' Compensation Board, 15 years;

for labour relations, employment standards, 1988. For some of these pieces that is what we have been talking about.

Mr. van Dijken: Absolutely, Minister.

One point of clarification I need. The concern is within industry and a lot of Albertans about the timeline of the review on something your ministry is considering as not modern and that needs to be modernized, that the consultation is not fully engaged, and that Albertans feel that they've not been fully consulted. A five-week period on a review of legislation that's several years old leads me to think that the ministry is not all that interested in what Albertans are wanting to give as guidance to the changes within this legislation. I would suggest an extended period of time. We are hearing from people that are just now getting an understanding that the review is under way, and they're becoming very concerned that they don't have the opportunity to engage.

On page 110 of the business plan we look at performance indicator 2(a), and it's showing in 2015 very low person-days lost to strikes and lockouts. Very effective, I believe. Generally speaking, over the last decade, if not longer, Albertans feel very confident that they are able to participate in the workforce and that they're being treated in a very fair manner. In 2016 the numbers appear to be coming in even lower than for 2015. I guess my sense is that our labour legislation is working quite well. Do you think that you can do better than that by overhauling the labour code?

Ms Gray: Thank you for that question. One of the reasons that we do measure our person-days lost due to strikes and lockouts per 1,000 employees is because this indicator does speak to the general state of the labour environment, and it's intended to provide context for our ministry's performance. Historically Alberta has had relatively few strikes or lockouts and a low rate of person-days lost due to strikes or lockouts. The results for this indicator have decreased over the last four years, which doesn't necessarily indicate a long-term downward trend but certainly does indicate incidental variability within a stable labour relations environment. This is one measure, and that's why we've included it in our business plan, but this does not tell the full story around whether our labour relations system is fair and balanced. That's why we are engaging with stakeholders to have that conversation.

Mr. van Dijken: Thank you, Minister.

At the end of the day, you talk about: this is one measure. I'm not sure if you have other measures that you can share with us, but that would be possibly helpful in our work, when we engage with Albertans, to get an understanding of why the ministry thinks it's important at this time to do this review.

I'm going to move on to page 107, again in the business plan. It's stating, "As the nature of work changes, the ministry must continue to ensure the rights of Alberta workers are respected." Then it says, "Legislation, education, and compliance systems must evolve as work evolves." Would you please elaborate on how the nature of work has changed or evolved in Alberta and on how you see that the compliance systems must evolve as work evolves?

Ms Gray: Absolutely. If we were to compare the nature of work today to 1988, for example, we have a lot more jobs like someone becoming an Uber driver. A job like that, which is involved with today's modern sharing economy, is not something that would have existed in 1988. It's a change.

As well, we're seeing a stronger move for Alberta's employees to want to do things like work from home. The understanding of how work-life balance is maintained has changed and evolved as the nature of work has changed. Someone wanting to be able to work from home so that they can balance their home

responsibilities while still being productive at work is not something that was very common in 1988, but we see that more often now.

Mr. van Dijken: Thank you, Minister.

My question, then, is: do you see those decisions as something that the ministry needs to be involved in with regard to people being able to get into a position of being able to work from home as opposed to that being a situation where industry workers and employers are able to come to a satisfactory agreement?

9:40

Ms Gray: In the case of, for example, an employee wanting to work from home, with our review that's not one of the questions or areas that we're talking about, but it is an emerging trend, and we want to make sure that the government is responding to that. The federal government through the federal minister of labour has been talking to Canadians about how the nature of work is changing, and these conversations are happening at our federal-provincial-territorial meetings of the labour ministers, where a conversation is really developing across Canada about the trends that are happening in work-life balance and working situations across the country and how each province and the federal government are responding to that.

In this case things like sick leave, job-protected sick leave, making sure that Alberta has a system that responds to the expectations and the needs of Albertans, are part of the reason why we've initiated the review of employment standards as part of our work.

Mr. van Dijken: Good. Thank you, Minister. I would suggest, though, that the free market does do a very good job of allowing industry and employees, employers to find those balances and that possibly the state needs to be careful in getting involved in those types of decisions that are made at the industry level.

On page 107, again, of the business plan it states that Alberta's labour laws must be "in line with national and international standards." I guess I'm trying to get an understanding of what standards you are referring to here. There are a lot of international standards that, I would suggest, we're miles and miles ahead of. So when you make a statement like that, what standards are you referring to?

Ms Gray: There are several examples that we can talk about. Speaking to the Employment Standards Code, that we've been talking about, the employment insurance system provides leaves for a variety of situations; for example, employment insurance if someone is unemployed. Also, for compassionate care leaves the employment insurance system is available as a support.

There are also additional leaves through employment insurance; like, if you have a child who is murdered or missing, being able to access an employment insurance leave that helps cover the costs while you might need to take time off work.

Mr. van Dijken: I guess, Minister, what I'm asking about is the international standards. Like, what international standards? Where are these international standards that are being considered? Are these international standards from Asia, from Europe, from the U.S., from South America? What international standards?

Ms Gray: Oh, I see. Sorry; I was speaking more to the national.

For international standards what Canada has signed onto is the International Labour Organization's eight core conventions for working. That includes some basic agreement and expectations around child labour, the right to organize and collective bargain.

Canada has indicated that it is in agreement with those eight core conventions. I apologize; I don't have all eight in front of me. But when we talk about international labour standards, the International Labour Organization is what I'm primarily speaking of.

Mr. van Dijken: Okay. Thank you, Minister.

Again on page 107, the ministry must ensure that workplace standards reflect the needs of workers. You know, we are talking about "fair and balanced" and where we need to be competitive on a global scale. We are an exporting nation, an exporting province, and "fair and balanced" is crucial to the growth and the prosperity in this province. I guess I need an indication of how you would define the needs of workers.

Ms Gray: It's an example that's come up several times in our conversation, but I think job-protected sick leave is something I'd like to talk to Albertans about, and that's why I've initiated this conversation. Currently most Albertans most of the time if they are sick – for myself, for example, I had food poisoning just a week ago. Taking that day to make sure I was healthy – I did not need to worry about losing my employment. That's not a right that all Albertans have because we do not have job-protected sick leave in our province. So I really want to talk to Albertans as well as employers and workers around: is this a need for workers, and are we meeting it by having or not having job-protected sick leave as part of our minimum standard?

Mr. van Dijken: I guess, Minister, the question would be, then: how do you decipher between a need and a want within a competitive marketplace, within a global marketplace, and trying to understand how we are able to get into "fair and balanced" here?

Ms Gray: By engaging with stakeholders, by having those conversations and determining what makes sense in the Alberta context. You're correct; there are other countries that do not have job-protected sick leave. Using that example, will Alberta want to match the standards of other countries on that or perhaps our neighbouring jurisdictions who do have job-protected sick leave?

Mr. van Dijken: Okay. Thank you, Minister.

I guess one thing we've heard a lot – and it's in one of the first lines in your business plan – is with regard to "fair and modern" and a modern labour environment. Please describe the word "modern" to us here. How does it fit within the ministry?

Ms Gray: In this case, something that has been reviewed and discussed, perhaps examined, within decades would count as modern. So having legislation that has not been reviewed since 1988 does not meet my test.

Mr. van Dijken: Okay. Thank you, Minister. There are many laws that we live and abide by daily that have not been updated for decades, but they meet the test of time. To say that modernization is going to lead to – that that's the criteria to legislative change possibly is not necessarily a good smell test.

I'm going to move on to page 108. It says that the ministry "enacts family-friendly labour legislation." You know, like, one thing for a fair and balanced labour environment – having a job is probably the most important thing to a family. So what are you describing here as family-friendly labour legislation?

Ms Gray: With family friendly – that will mean different things to different people, but essentially what we're trying to express is the ability for someone to be able to go to work, provide for their family, and at the same time meet their family responsibilities.

During my conversations with constituents in Mill Woods, when I'm out talking to them, family friendly has come up along the lines of: if you have a child or a parent who is ill and may need additional support, are you in a position that you are able to balance your work responsibilities as well as those family responsibilities? In the context of our employment standards review we're talking to people about things like compassionate care leaves, where, again, if you have a family member that you need to care for, is there that opportunity to balance work and family responsibilities?

Mr. van Dijken: Absolutely, Minister.

I guess the question, then, is: is "fair and balanced" with regard to what we are expecting as a society for industry, employers to pick up as expense as opposed to what is the societal expense towards this fair and balanced and family-friendly labour environment? That's, quite honestly, a question that we have to ask as a society. Who picks up that tab? Do we as a collective group? Are we responsible for that, or is that something that is expected of employers? When we consider employers, you know, they might have one employee or they could have thousands of employees, so it's a very different conversation about what we expect those employers to take on.

9:50

The business plan seems to be focused on today's workers with, it seems, fewer and fewer mentions of employers and industry, and the goal is to make Alberta a more attractive place to live and work. Of course, in order for there to be workers, there has to be industry. How is the Labour ministry collaborating with industry when considering legislation and regulation, and how are you attracting job creators to the province?

Ms Gray: Working with industry is a top priority for us. As Minister of Labour I meet with representative industry groups, business groups, chambers of commerce, and CFIB to engage in discussions with some of those perspectives as well as employers directly, both those local to my constituency in Edmonton-Mill Woods and across the province, to make sure that we are hearing directly from those impacted. In the case of the Workers' Compensation Board review, for example, our representative panel had someone who was representing the views of workers and another person representing the views of employers. In the case of our Employment Standards Code and Labour Relations Code review we are working with management representatives, labour groups, employer groups and inviting them all to be part of the engagement.

On a day-to-day basis the Labour ministry consistently engages with the stakeholders across Alberta through updates, through working with professional regulatory organizations, and through making sure that our information is both publicly posted as well as communicated to those groups.

Mr. van Dijken: Good. Thank you, Minister.

Going back to the discussion with regard to "family friendly" and "fair and balanced," what are the guiding posts for the ministry to ensure that anything that we would consider a societal change, an employment standards policy that comes forward – where do you draw the line with regard to employers' responsibility here as opposed to society's responsibility?

Ms Gray: In the questions that we're currently talking about, in other jurisdictions those determinations have been made. We talked about in the case of a sick child or parent that our federal employment insurance system has – as a country we've decided that

having compassionate care leaves is a priority and having that supported through our employment insurance system is a priority.

In Alberta the conversation is not, "Should someone be able to access a compassionate care leave?" because they have access to that. Rather, the conversation is, "Should someone be able to return to their job if they did access that funding through the employment insurance?" because we currently don't have that full job-protected leave that matches the employment insurance system. So someone might have a parent or child who's ill and might access that federal benefit, which is available to all Canadians, and that Albertan may not have a job to come back to because we don't have that same job-protected status that other provinces do. That's the conversation in that case.

I'm not sure if I've answered your question.

Mr. van Dijken: Yeah. That's the conversation we have to have in general as a society. Where's the societal responsibility as compared to the employer's responsibility? Those extra costs, potential costs, I would suggest, that are being put into our overall economy: how is that actually going to be distributed?

That leads me into the discussion with regard to minimum wage. We're looking at fair and balanced legislation. When we look at these types of regulations, the ministry is putting forward regulation that is largely being forced on the backs of employers to try and solve what I would suggest is a societal responsibility. The ministry, the government have talked about: how do we support single mothers with three children at home? This is how the government has decided to support them.

But I have constituents in my riding that have come to me with concerns, and some of them have already lost their jobs based on the fact that we're moving in the direction of a \$15 minimum wage. This is quite concerning. We're putting the load on employers to solve what I would suggest is possibly a societal pressure that needs to be answered from a very different standpoint.

We are not on an island in Alberta; we are in a competitive marketplace throughout the nation, throughout the world. We need to have regulations in place that are in step and allow our employees to compete throughout that.

I guess some of my questions around it – do you have performance measures that you are using to monitor the impacts of the minimum wage increase? We need to get an understanding of how this is impacting our labour force, whether that be for some of the more elderly people that have work – for some of them it's about getting out to have something to do – or the individuals that are entering the workforce, the youth employment. What performance measures are you using to monitor the effects of these minimum wage increases?

Ms Gray: Thank you very much for that question. It's very important that we continue to work with industry and make sure that we are tracking the health of what's happening in our labour market. You mentioned youth employment. We partner with Statistics Canada to continue to track our economy, our labour market, the employment, and what we're seeing within that market very carefully. Statistics Canada and Alberta Labour work together to continually measure what's happening within the Alberta context as well as other provinces. Those measures that we are tracking as well as Statistics Canada's measures are publicly posted on a regular basis so that things like unemployment rates as well as labour market attachment can be available so that everyone can see that.

We also talk to businesses; for example, reaching out to food, accommodation, and retail trade businesses to do periodic surveys to understand what the top concerns are for employers. Our

partners, like the Alberta Chambers of Commerce and other stakeholders, are also out there talking to business and reporting back to us and working with us as partners to help us understand what they're hearing in the community.

Mr. van Dijken: Thank you, Minister. I would hope that the information that you're receiving from the chambers and from the CFIB, for instance, you're taking with full consideration and that the move to a \$15 minimum wage is being evaluated on an ongoing basis.

You know, we take a look at youth unemployment, for instance, where we have youth unemployment in May 2015 at just over 10 per cent. Now we're looking at the March numbers, and youth unemployment has grown to where it's over 14 per cent. These are statistics that may give us an indication as to where we're headed. I've seen it in other jurisdictions where that is one of the areas of greatest concern. Are we essentially putting in regulations that do not allow our youth to be able to find work and be able to get that first, very important job? What employment effects have you already found, if any, since increasing the minimum wage?

Ms Gray: We are currently seeing, with some of the initial data, no employment effects with the increase in minimum wage. That being said, we are continuing to work with our industry partners and to look at these measurements so that we can understand in a complex environment potential impacts of both the minimum wage but also the economic downturn.

10:00

We are certainly cognizant of increasing youth unemployment, and that's why we've initiated and are proud to talk about our summer temporary employment program. As well, within my ministry we've just recently announced a partnership with GenA, which is targeted at helping youth to find that labour market attachment. Those jobs are not necessarily a first job. So we are looking at mechanisms in which we can help support youth during this economic downturn.

Mr. van Dijken: Yeah. Thank you, Minister.

Do you anticipate any employment effects with regard to the minimum wage strategy going forward? Do you make any distinctions within the department with regard to part-time jobs, full-time jobs? Do you make distinctions between self-employment and other employment? We're seeing a significant increase in self-employment. How do you interpret that type of information? How does that affect your decision-making with this strategy?

Ms Gray: Thank you. Yes. Through the partnership with Statistics Canada there is detailed information about the types of employment that we're seeing, full-time versus part-time, in a number of different industries.

Mr. van Dijken: Good. Thank you.

Considering other jurisdictions have a much longer timeline for – other jurisdictions that I've identified that wish to go to the \$15 minimum wage have extended times and also different levels of engagement with regard to the number of employees and allowing smaller employers to move to that minimum wage level over a period of time. How is your ministry looking at this? We see that it's just across the board, with very limited ability for business to adjust. How are you making those decisions with regard to tiered levels of engagement and being able to adjust?

Ms Gray: Last year we embarked on a consultation specifically around minimum wage with stakeholders, talking specifically about

that \$15 by 2018 and how best to achieve that. One of the things that we heard from our stakeholders was the desire for certainty. Our business partners specifically said that the uncertainty and not knowing when subsequent increases to the minimum wage would be appearing was causing them a great deal of concern, so making sure that we were able to chart that path to \$15 by 2018 so that business could plan and know when those increases could be expected was part of the announcements that we made last year in response to the feedback that we heard.

Mr. van Dijken: How does the ministry then determine that the timeline is right, considering that other jurisdictions that we're competing with are not on that schedule at all? How does that allow a fair and balanced labour legislation regulation for both employees and employers? One of our biggest concerns with this type of approach towards social well-being within our economy, that the government regulates the cost to employers to take care of social well-being, is that there are going to be significant numbers of individuals that will no longer have a job. How do you balance that with regard to other jurisdictions not moving in this direction at all, and we are in direct competition with these jurisdictions?

Ms Gray: With our conversation around the minimum wage making sure that all hard-working Albertans make enough to be able to support themselves and their families was something that we heard from stakeholders across the board.

Mr. van Dijken: To be fair, Minister, my question was with regard to those people that can find no job because of the regulation that's put in place by a government that puts the complete onus on employers as opposed to a social well-being cost that possibly needs to be taken care of through other programs within government as opposed to all those costs being put on employers. An economy is very susceptible to breaking and slowing down when we decide that the investors and the employers within this economy are the individuals and companies that are responsible for all the social well-being. They also need to compete, and I would suggest that you're trying to fix a problem that is not as broad spectrum as you might think with regard to minimum wage, minimum wage allowing individuals to enter the workplace and also for individuals to enjoy employment that is not necessarily needed for being able to sustain life.

With that, I'm going to move on to WCB.

Ms Gray: If I may, I would just like to suggest that paying someone minimum wage is not a social program.

Mr. van Dijken: No, absolutely not, Minister. Paying minimum wage is not a social program. You're exactly right. It's a program...

The Chair: I'd just remind the hon. members to go through the chair, please.

Mr. van Dijken: Yes, Chair.

Minimum wage was never meant to be a social program, and at the end of the day this government has decided that it's important to make this a social program. I would suggest that that's very detrimental to the economic well-being of the province as a whole. It inhibits our ability to prosper and grow based on the fact that we are now putting forward a policy that is not spreading the burden over all of our economy.

With that, I'm going to move on to WCB and the budget estimates, page 204. If we move to the budget estimates, page 204, under the WCB line item 3.3, occupational health and safety shows

a \$2 million increase in funding. Last year this item also increased by \$6 million, and that included the WCB review. My question would be: when exactly do you see the WCB review being finished? You talked about it being this spring. Do we have a more exact timeline as to an understanding of when that review is finished?

Ms Gray: Thank you very much. Regarding the WCB review we are expecting that the report from our panel will be delivered in the spring. When we receive that, the government will be reviewing the recommendations and then discussing that with Albertans so that they are aware of the work that has happened and what the government's next steps may be.

You were also asking about 3.3 or just the WCB review?

Mr. van Dijken: Just with regard to the WCB review, but I'm going to move on to the \$2 million increase with regard to OH and S. In your business plan we see on page 108 the number of occupational health and safety inspections increasing, I would suggest, significantly, where we're going from a little over 9,000 inspections and moving on to 10,500, then 11,000, then 11,500. I need to get an understanding of what metrics are in place to justify these increases in inspections, and then is that extra \$2 million essentially for these increased inspections? Where is that extra \$2 million being spent?

Ms Gray: The additional funding for occupational health and safety program delivery is related to an additional Crown prosecutor, additional support in occupational health and safety investigations as well as quality assurance and training. We are going to be supporting policy analysis, OH and S education and awareness, and contract services.

10:10

One of the metrics is the number of occupational health and safety officers per worker within Alberta. When our government was elected, Alberta had the lowest ratio of officers to workers. What that meant was that often our ability to go and do proactive inspections, not just reactive, might have been impacted. I would note that the number of occupational health and safety inspections in 2015-16 decreased approximately 5 per cent compared to the prior year. It is important to us to measure the number of occupational health and safety inspections so that we have the idea of particularly proactive inspection programs so that we can be out there trying to make sure that we're catching any issues before there's disabling injury or death.

Mr. van Dijken: Absolutely. You know, I look at: increased inspections equals increased expense. It doesn't look like the extra \$2 million within the budget for OH and S is necessarily to cover off the increased expenses of those increased inspections. I guess, where does that funding come from for these increased inspections?

Ms Gray: The occupational health and safety system, whether that's inspections, officers, that Crown prosecutor, is set out through legislated requirements to ensure adequate protections for workers in Alberta. The funding is fully funded through that WCB program, so our expenses related to OH and S do come through the WCB.

Mr. van Dijken: Okay. That leads me into, you know, the metrics being used to decide whether or not we need more, increased inspections. Taking a look at other jurisdictions, Alberta being the lowest, I guess other metrics, I would hope, are being used to understand the need for these increased inspections, especially when a government is passing on those costs directly to employers

through the WCB. This will be an additional expense to be funded by the WCB; in other words, it's funded by employers. Safety results and being proactive in being able to understand where we need inspections and how to be proactive in making sure that we're on top of safety: shouldn't the targets just essentially largely fall on actual safety results as opposed to trying to ramp up based on other jurisdictions?

Ms Gray: There is a balance of factors that need to be taken into consideration as we look at how we are going to keep Alberta's workers safe and ensure that their health and safety are protected. We work with both comparators to other jurisdictions to understand across the country what the current standards are, to make sure that Alberta workers are being treated fairly as well as measuring our own successes. In the case of tracking our disabling injury and death rate, we always want to see that decrease. A single workplace death is too many, and if we can proactively assist to prevent that . . .

Mr. van Dijken: I have about 30 seconds . . . [A timer sounded] I have no time.

The Chair: My apologies for interrupting. The allotted time for the Official Opposition has concluded.

We will now move on to the third party. Mr. McIver, would you like to share your time with the minister?

Mr. McIver: Yeah. How much time do I have, please, Mr. Chair?

The Chair: You'll have 20 minutes.

Mr. McIver: If it's okay with the good minister, I'll share the time.

Ms Gray: Yup.

Mr. McIver: Minister, thank you for being here today to answer our questions. I appreciate that. Now, in the first part my hon. colleague was asking you questions. You said that you wanted to modernize the labour code because it hasn't been I think your words were modernized or changed since 1988. Is that correct?

Ms Gray: We had talked about significant reviews and updates since 1988.

Mr. McIver: Right. Okay. So you want to modernize it now, and I think you told my colleague that you want to modernize it based on the eight fundamental conventions of the International Labour Organization.

An Hon. Member: Eight core.

Mr. McIver: Eight core.

Ms Gray: Those two conversations were not connected.

Mr. McIver: Okay.

Ms Gray: He was simply asking about the business plan. We included some language specific to making sure that Alberta is following international work conventions. When asked the question about international conventions, I responded that the eight ILO core conventions are those that the government of Canada has chosen to adopt, but it was not something that I spoke to as a cause or reason.

Mr. McIver: All right. So you want to make sure that we're following the eight core conventions. Is that correct?

Ms Gray: Canada has made that commitment that we will.

Mr. McIver: But you haven't for Alberta?

Ms Gray: Alberta has ratified that, yes.

Mr. McIver: So you have, then.

Ms Gray: Yes, we have.

Mr. McIver: Thank you. Okay. And those conventions are the freedom of association and protection of the right to organize convention, the right to organize and collective bargaining convention, the forced labour convention – correct me if I'm wrong, but I'm reading it off a website that has them listed – abolition of forced labour convention, the minimum age convention, the worst forms of child labour convention, an equal remuneration convention, discrimination in employment and occupation convention. I think I got those right because I'm reading it off the website. Do you disagree with any of that?

Ms Gray: No. Thank you for finding that.

Mr. McIver: Well, it's the Google machine. It's not that hard. I just googled it, and up it popped, right in front of my eyes.

In terms of what you're doing – and you talked about how old the current labour legislation is because it hasn't been updated significantly since 1988. While I don't disagree with these eight fundamental conventions, the forced labour convention is from 1950; freedom of association is 1948; the right to organize is 1949; the abolition of forced labour is 1957; the minimum age convention is 1973; here's the newest one: the worst forms of child labour convention, 1999; equal remuneration convention, 1951; and the discrimination convention from 1958. So I guess I'm just looking for you to square that when you talk about how the 1988 legislation is old, yet you're basing what you want to do on things that are good – I agree that they're good – but go as far back as 1930. When you're grasping onto things as old as 1930, how does that make something done in 1988 old?

Ms Gray: Alberta's labour legislation having not been updated since 1988 while our neighbouring jurisdictions have been doing updates has led to things like – in our employment standards legislation, similarly 1988, we do not have access to job-protected sick leaves, which our other neighbouring jurisdictions do. As well, the employment insurance compassionate care benefits: we are out of line with those benefits.

Mr. McIver: But do any of these conventions include that?

Ms Gray: The items I'm talking about are the conversation that I want to have with Albertans about: is the legislation modern and working for their needs? That's why we've initiated a consultation.

Mr. McIver: I appreciate that, but you also said that you're hanging your hat on eight things that are no newer than 1999 and some of them as old as 1930.

Ms Gray: No. Again, Mr. McIver, I think there's been a bit of a line cross. The previous member was asking me about some lines in the business plan that spoke to making sure that we're in line with international conventions, and in that context I spoke of our eight core conventions within the ILO.

Mr. McIver: And I heard you very well, very clearly.

Does the current labour code, that you're going to change after you do your consultation, fall short of any of those eight international labour conventions?

Ms Gray: We will need to make some adjustments around youth employment in order for Alberta to continue to ratify that core component around youth employment. There is a disconnect currently between Alberta's legislation and that ILO convention.

Mr. McIver: Right. Okay. That was there when I was Labour minister as well, and we had talked about that back then and about making changes to that. Is that the only one that you're aware of?

Ms Gray: Relating to the eight core conventions, I believe the right to collectively bargain was out of line prior to us implementing the essential services legislation, which returned the right to strike to public-sector employees.

Mr. McIver: But today it's in line.

Ms Gray: I'm just going to double-check and make sure I'm not missing anything.

I'll have my deputy minister, Jeff Parr, speak to this.

Mr. McIver: Sure.

Mr. Parr: Thank you. I'm a bit reluctant to wade into the middle of all of this because we're . . .

Mr. McIver: Well, that's what we're here for, to wade in.

Mr. Parr: Yes, so I'm wading in. It's really only been in about the last 10 or 15 years that Canada has moved forward to ratify these international conventions. They've been sitting on the books for a number of years. The difficulty that Canada was having in the ratification is that it's not a unitary state, so it wasn't in a position to make a decision on behalf of all the provinces. It needed all the provinces to agree, and it's really only, as I said, in about the last 10 or 15 years that the provinces have been moving forward, reviewing their legislation, making sure that it does come in line with the international conventions. Clearly, conventions around forced labour and those sorts of things are ones that were dealt with quite some time ago.

10:20

Canada does very well in the international forum in terms of how our labour legislation stacks up. Within that, you know, these are sort of benchmarks we watch as we're moving through. Around the right to free collective bargaining there would be provisions with respect to the ability of workers to make their decision about joining unions without interference from employers or from government, so those would be some of the types of things we need to look at. What's the fair balance about getting there? The minister mentioned youth employment, for example. You're right; that's something that had been reviewed in the past. We're moving our way forward to look at those sorts of things.

I think the other thing to point out here is that the comprehensive European trade agreement actually compels Canada to make sure they have ratified those and we're in compliance with those. While we're not specifically, you know, looking at those and saying that we need to line up with all of those, those are pressures that we have in Canada as we review our legislation across the country. It's a variable. The other piece we are looking at is where the rest of the country stacks up with respect to employment standards, labour relations, health and safety as well.

Mr. McIver: Good. Thank you. Okay.

So, Chair, moving on, I think the minister talked about one of the reasons she wants to make this change is for a work-life balance. You wanted to talk about things like work. Is that correct, Minister?

Ms Gray: Yes. When we talk about family-friendly workplaces and just what has changed in the nature of work over the past few decades, work-life balance is something that I'm hearing from stakeholders.

Mr. McIver: Okay. In your view or your government's view, is work-life balance a government choice or a personal choice that people make?

Ms Gray: I'm certainly interested in talking to Albertans about how they would want labour legislation to support their understanding of family-friendly workplaces and work-life balance, and that's why we're engaging Albertans in a consultation.

Mr. McIver: Okay. You talked about the labour stats you're working with. Are you still keeping all the labour stats now that you kept when you became government in 2015? I ask this – so I'm not sand-bagging you here – because I can tell you and I want to compliment you that you've got amazing staff in the Labour department. Many of the people I worked with before and the ones in the front row: top notch.

Ms Gray: Yes.

Mr. McIver: Top notch. One of the great pieces of work they did – and I was always proud, as I hope you still are when you visit with other ministers, that everybody always says that Alberta has the best stats. So I'm checking in. Are you still keeping all those stats that were being kept when you started?

Ms Gray: Absolutely. Alberta's labour market information and the analysis we're able to do on Stats Canada data as well as proactive investigation continues and is important work of the ministry. It results in the public reports and updates that we provide to Albertans.

Mr. McIver: I just want to know you haven't dropped any of that. Minister, along the way several times you used the phrase "our ministry's partners that we're talking to." I think you used that phrase. So who are your ministry partners that you talk to?

Ms Gray: There were a couple of contexts in which I used the term "partners." We have our other ministries considered as partners, and then I referred to our stakeholders as partners.

Mr. McIver: Okay. Who are your stakeholders, please, then? I want you to be comfortable with the question you're answering.

Ms Gray: The workers of Alberta, employers within Alberta.

Mr. McIver: Okay. How many employers have you talked to?

Ms Gray: I'm afraid I'm not going to be able to give you a number because I speak directly to employers as well as to employer-representing organizations that represent thousands of employers, so I'm not sure I can quantify that.

Mr. McIver: So you don't know how many workers and employers you've talked to. Okay.

You did talk with the previous questioner about WCB, and you made a statement. I'm going to quote you as close as I can. I think you said that it's important to measure the number of WCB inspections that we do. I think you said that. Since it's important to measure, how many WCB inspections do you do?

Ms Gray: What we're talking about there is the occupational health and safety inspections, and you can see that in the business plan,

page 108, 1(e). That is the number of occupational health and safety inspections in last year's actuals . . .

Mr. McIver: Can you say that number out loud, if you don't mind?

Ms Gray: Nine thousand one hundred and fifty-one.

Mr. McIver: Nine thousand one hundred and fifty-one. Okay. Is that higher or lower than what was done before? You were in government.

Ms Gray: I'll just quickly double-check. That is a decrease of 5 per cent to the prior year.

Mr. McIver: Okay. So you'll understand why I'm asking. One of the things you said is that there were not enough inspections done, and the number you're doing is falling. Are you going to correct that this year, if that's too low?

Ms Gray: We've set a target for ourselves for 2017-18 of 10,500 inspections. We're working to increase the number of inspections both proactive and reactive and putting the systems in place to accomplish that.

Mr. McIver: Okay. Thank you.

The Labour Relations Code review: do you have information on the reviews that your estimates will start or sustain? Like, do you have a list of reviews that you want to do in the 2017-2018 year?

Ms Gray: We are currently engaging in the employment standards, Labour Relations Code, and workers' compensation reviews. Those are actively ongoing. I'm also interested in discussing with Albertans the occupational health and safety code, but the timelines and process for that have not yet been discussed.

Mr. McIver: Okay. So you don't really know which ones you're going to do. You only really named one.

Ms Gray: Within Alberta's labour environment workplace legislation there are four foundational pieces. We're currently reviewing three and the last one I intend to look at later this year.

Mr. McIver: Well, just tell me what the last one is you're not doing then. Maybe I can figure the rest out from that.

Ms Gray: Occupational health and safety.

Mr. McIver: Occupational health and safety is a no. Everything else is a yes. Okay. All right. I got to the answer. Thank you, Minister.

Now, Minister, I tabled in the House the other day – I hope you noticed, but maybe you didn't because it's easy to miss these things – this document here. It's the *Principles of Administrative Law*, Jones and de Villars, fifth edition. It's done by a WCB advocate in Calgary. The reason why I draw it to your attention, Minister, is that there are 30 recommendations in it for WCB, and that's why I'm recommending it for your reading pleasure and your thoughtful consideration as minister. Can you commit to me that you, yourself, will do it or have your department look through that and consider the value of those recommendations?

Ms Gray: I'll certainly commit to making sure that it has been reviewed. My quick question would be . . .

Mr. McIver: You can't read everything, Minister. You can't be Supersperson, so it's okay.

The Chair: My apologies. I want to try to get us back on track with the budget estimates at hand here.

Mr. McIver: I am. I am. That's exactly where I am. The minister was just about to give me an answer, Chair.

Ms Gray: My quick question you might be able to help me with is: do you know if this person and this document had been submitted to the WCB panel to be part of the larger review process?

Mr. McIver: You know what? I can't answer that. I don't know that.

Ms Gray: I hope it has been because we certainly were asking for that exact type of input. I will follow up to find out if the panel has already reviewed it, and if not . . .

The Chair: I just want to redirect us back towards the budget estimates at hand.

Mr. McIver: Mr. Chair, the minister is only one person. I wouldn't possibly insist she read everything that comes past her office, but she has staff. They can certainly do that and advise her on that.

The Chair: I understand that. I just want to get us back on track with the budget estimates.

Mr. McIver: Yeah. We've been on track since the beginning, and I'll continue to be on track.

So, Minister, with the labour code review do you know how many people you intend to consult before you make a decision, any number of businesses and number of workers?

Ms Gray: As part of the consultation we are inviting all Albertans to submit their feedback online, so putting a number on that, I'm not able to do.

Mr. McIver: I mean directly. I mean, are you going to go out? Certainly, you're going to do some outreach and call people. Again, you're only one person, so presumably you'll have some of your staff do that, which is fair. How many employers do you intend to reach out to in the process?

Ms Gray: Similar to your first question, because we're engaging employers as well as representative agencies, I'm not able to put a number on how many employers will be engaged.

Mr. McIver: Can you name any individuals or groups that you've reached out to?

10:30

Ms Gray: Yes. The Canadian Industrial Relations Association. I've personally met with Neuman Thompson, CIRA Calgary, CLAC, the Alberta Building Trades Council, the Edmonton Chamber of Commerce, Progressive Contractors Association. I'll stop there because you asked me to name any.

Mr. McIver: Oh, they're all good choices for you to make. I appreciate you doing all of those things, Minister. Thank you for that.

Minister, a lot of people have said that six weeks isn't sufficient time. Will you consider extending that period of time on such labour legislation that touches every Albertan that works? If you consider every Albertan that works, that's most Albertans.

Ms Gray: I believe that six weeks is an appropriate amount of time and that the review process we've set out as well as the focus that

we are putting on specific areas that we are talking to Albertans about will allow us to be able to engage fully and get some good feedback.

Mr. McIver: Okay. In order to fit everybody in in six weeks, you can't stand on a stump and yell and expect people to hear you. I know you didn't say that you would do that, so I'm not accusing you of that. My point is: what's your advertising budget so that Albertans will know about this consultation so that they can include themselves in it?

Ms Gray: Thank you for that question.

Mr. McIver: Thanks for the two-minute warning, Chair. I appreciate it.

Ms Gray: We have been posting through the Alberta websites and engaging our stakeholders so that they can be reaching out to their members to let them know about the review as well as contacting people through our own contact lists. In this case I don't know if we have a budget for advertising per se. We'll have to follow up with that.

Mr. McIver: Well, if you could get that to me later, I'd be grateful for that, Minister. I think I'm down to a minute and a half here, and I'm trying not to waste your time or mine here.

The evaluation framework for testing your consultation: have you worked that out, or is that going to happen afterwards?

Ms Gray: You're asking about how we evaluate the consultation and its success?

Mr. McIver: Yeah. Is there a matrix you're going to use to evaluate the input you get on the labour consultation?

Ms Gray: We'll be doing any evaluations after the fact.

Mr. McIver: Okay. Do you have a matrix worked out that you're going to use for that, and is it available publicly to look at?

Ms Gray: We do not have a matrix prepared to evaluate the consultation.

Mr. McIver: Okay. What role will the government's vaunted climate change plan have in your consultations in the labour code changes?

Ms Gray: A tangential relationship.

Mr. McIver: Tangential. Okay.

Have you consulted with or heard from – actually, I'll ask it this way first: have you consulted directly with Alberta's indigenous communities on the labour consultation?

Ms Gray: Yes, we have.

Mr. McIver: You have. Okay. Can I ask how many indigenous communities?

Ms Gray: We will have to follow up with you.

Mr. McIver: Okay. Now, because you and I work for Albertans, how much of the input that you get are you going to release for the public to see so that they can look over your shoulder, if you will, and decide how well you've listened to the consultation?

The Chair: My apologies to interrupt. The time allotted has concluded.

We will now move on to independent members and other parties. Mr. Clark, would you like to share your time with the minister?

Mr. Clark: I would like to go back and forth. Yes, please.

Thank you very much, Mr. Chair and Madam Minister and your staff, for being here this morning. I'm going to start my questions and discussions about minimum wage. I want to preface everything I say by saying that I think it's very important that Albertans get a fair deal. I think it's very important that we help our neighbours. I think it's important that small business is also respected as the backbone of Alberta's economy that it truly is. I know we've had some discussions in the past about the government's plan to go to a \$15 minimum wage. I'd like to ask this: can you table any studies that show the impact, positive or negative or anywhere in between, of a \$15 minimum wage in Alberta?

Ms Gray: Thank you very much for the question. In talking about the minimum wage, economic research and theorization has certainly been done, but the way you phrased that, table any existing studies on the \$15 minimum wage in Alberta . . .

Mr. Clark: And if those studies don't exist.

Ms Gray: I don't know if I can do that for the Alberta context. We do have a series of studies regarding the effects of minimum wage on employment from a variety of different jurisdictions, but in this case I would have to double-check and see, because the department does consistently update the research and stay abreast of it, whether there is a specific study I can table for you.

Mr. Clark: Okay. I just want to be very clear. I'm willing to have my mind changed on this. The studies I've seen show there is an overall net negative impact when minimum wage exceeds a certain percentage of average weekly wage. The one study out of Quebec I believe in 2011 shows that once that average hits about 42 per cent, we start to see job loss. At \$15 the Alberta minimum wage will be in excess of 50 per cent of average weekly wage.

That's the data that I have. I like to make decisions based on data and not just blind ideology. I would love to see those studies that you're relying on to make these policy decisions because, in the end, what matters is that we're helping more people than we're hurting. That's really the important thing. It's not about a nice headline that we can put on a campaign brochure. It's about helping more Albertans than we're hurting. I just want to be really clear that that's where I'm coming from on this. So if you can table any of those studies – and I'd also ask you to submit to continuing to study this and to table that data and be as public as you can about it because, you know, it's important that we get this right. It's important that we're not hurting people more than we help.

The next question, then, is: do you feel a minimum wage and a living wage are the same thing?

Ms Gray: No. They are not necessarily the same thing. A living wage is a wage that is calculated based on a predefined formula that involves the amount of money it takes for a family of two persons that are earning money with two children to be able to pay for the basics as to food, housing, and transportation in their given area, and that calculated living wage can change substantially from one part of the province to another.

Mr. Clark: Is \$15 a living wage anywhere in Alberta that you know of?

Ms Gray: Fifteen dollars is a living wage in some small areas, but for the majority of Albertans, particularly those living in the large communities of Edmonton and Calgary, \$15 is not a living wage.

Mr. Clark: Has your ministry looked into the potential benefits of a targeted living wage for those that genuinely need it? Is that something that you've investigated or considered at all in the discussion around the \$15 minimum wage?

Ms Gray: We've certainly discussed a lot of different suggestions around the \$15 minimum wage, and when I engaged with Albertans on this, quite a few different suggestions were brought forward, but no significant departmental work has gone into the idea of implementing a living wage in Alberta because that would be – I think we're very far from potentially doing that change.

Mr. Clark: That's a shame because I think there is a lot of evidence that shows that a targeted living wage can have tremendous social benefits. I recognize that some of those discussions may happen outside of the Department of Labour, but it seems disconnected, if we're going down a path of a \$15 minimum wage, to not at least consider the potential benefit of a living wage, at least in certain areas.

Ms Gray: I would say that it has been considered. It is one of those items that has been discussed. There is a lot of complexity involved with that discussion.

Mr. Clark: I know that we've talked about this before. I've raised it in the House and to you directly. My constituents and other Albertans continue to come to me and talk about the potentially negative impacts of a \$15 minimum wage: risk of job loss as a result of companies closing or moving up skill levels into different strata to justify the \$15 minimum wage, reduced work hours, potentially closing businesses.

One of the issues that was raised to me just very recently was the potential impact on students, who, if they are earning a \$15 minimum wage, could be at risk of no longer being eligible for the repayment assistance program that defers the principal of their student loans because now they make too much money. Have you calculated or thought about any of those likely unintended consequences on students who are hoping to just get a start and start to repay those student loans but may have a difficult time doing so right out of the gate?

10:40

Ms Gray: Yes. We specifically looked at benefit programs throughout our government as well as any federal benefit programs so that we would understand the impact to those as the minimum wage was increased. Regarding repayment assistance programs I don't recall the specific item there, but as we implement the \$15 minimum wage, we're continuing to evaluate and monitor any impacts, both intended and unintended, so that we can know what's happening and adjust as needed.

Mr. Clark: Okay. Is there anything that you learned that would change your mind about a \$15 minimum wage? Is there any data point from any of these things that anywhere along the way you'd go: "Wait a minute. We've just hit a tipping point here. This is obviously worse for Alberta than better"? Is there any chance that you would change your mind on a \$15 minimum wage?

Ms Gray: We are continuing to evaluate the implementation, and we are committed to a \$15 minimum wage by 2018.

Mr. Clark: What if it caused 40 per cent unemployment? Would you still have a \$15 minimum wage?

Ms Gray: I certainly can't speculate what may or may not happen, but we will continue to evaluate.

Mr. Clark: So if you have thousands – I mean, I'll admit that my example is extreme, right? But what I'm concerned about, Minister, is that this is a decision that seems to be happening because it was in a campaign platform and it seems to fit nicely with a particular target voter group that you want for the next election. That's why it's happening, not because there is certain data that shows it's beneficial. If data is presented to you as minister that shows it is detrimental to our province, what I've heard you say is: I don't care about the data that shows it's detrimental and bad for Alberta, bad for Albertans, and that it hurts people; I'm going to do it anyway because we said that we would do it and we think it's great for our election chances.

Ms Gray: I would like to be clear that I do care about the data, and I very much care about making sure that somebody who is working a full-time job doesn't have to stop at the food bank on their way home. Alberta had the highest percentage of working people going to the food bank during times of record prosperity.

Mr. Clark: That's where things like living wage come in, right? The British like to say . . .

The Chair: Mr. Clark, I just want to make sure I'm following along, so can you be citing the business plan or in the budget what you're referring to, please?

Mr. Clark: Oh, absolutely. A \$15 minimum wage is something that's scattered all the way throughout the business plan, point 1.2 in the business plan. This is one hundred per cent relevant, so I'm going to keep going here.

Let's talk about some of the numbers here.

Ms Gray: Just to continue, I would just like to state that the department and I continue to monitor employment effects, what's happening in the labour market. All of this is continually being monitored. If there was 40 per cent unemployment directly related to this policy, the department would be flagging that immediately and letting us know.

Mr. Clark: So there is a point at which you would turn?

Ms Gray: I continue to state that we are monitoring the implementation of this policy.

Mr. Clark: It's sort of like the – I mean, it's an extreme example, and I want to be very, very clear that I want Albertans, like you say, to not have to go to the food bank, those that are working. That's very important to me. Very important. I think that there are better ways of achieving that than through a \$15 dollar minimum wage. I believe you're actually going to end up hurting the very people that you're seeking to help. That's my belief based on the data I've seen. I'm willing to be convinced that there's other data out there that shows me that's not correct, and I would love to see that data if you're willing to share it.

But let's talk about some of the data. From your own website there are 296,200 Albertans in, I believe, '15-16 who earned minimum wage. Of that, 15,900 people are single Albertans with children, and that represents 5.4 per cent of Albertans. Now, I went to another government website, the Finance website. It has a very handy tax calculator. The \$27,000 which would be earned at a \$15

an hour minimum wage or less would mean that those 5.4 per cent of people are receiving multiple different benefit streams from the provincial government. They pay no income tax – zero – provincial or federal. They are eligible in the amount of \$1,448, Alberta family employment tax credit per year, and they are eligible for the \$746 Alberta child benefit. Those are good things. I think those are really important, targeted programs, and I want to give your government credit for the Alberta child benefit in particular. What it is is a targeted program helping people who need help.

Again my point to the minister and the question to you is: where we already have programs that help people who genuinely need help and where over 50 per cent of people who are drawing minimum wage are less than 30 years old, are we creating a situation where people who are taking that first step on the job ladder are in fact now going to be disadvantaged? There is no actual overall benefit to society in some of the things that you've said that you're trying to solve here with a \$15 minimum wage.

Ms Gray: The analysis on who our minimum wage earners are, who is making less than \$15 per hour, is work that our department has done and that we've looked at quite seriously. Things tell us that 78 per cent have permanent jobs – these are not temporary workers – and that 37 per cent are the primary earners in their household. Regardless of where they fit on the age spectrum, nearly 40 per cent are the primary earner for their family working that minimum wage job.

Mr. Clark: You know, I'm very committed to reducing poverty in this province, especially amongst the working poor. I think that if you work full-time, you ought to be able to pay your bills, and you ought to be able to eat. You shouldn't have to go to the food bank on the way home. I want to be as clear as I can be. From my strong personal beliefs, the beliefs of the Alberta Party and my members that I represent, we believe very strongly in that.

My concern is that a \$15 minimum wage is going to have a detrimental impact on that 40 per cent you're talking about because perhaps some of the companies they work for will no longer be able to survive, companies like the snowboard shop owner that I talked with who has been in business here in Edmonton for 20 years. He's had some impacts in his business as a result of the downturn, but all of his staff are students or young people who are either going to school or it's their first job or they're earning money to travel or go snowboarding or whatever. His business is at risk, and that's a dozen or more jobs.

The tire shop in St. Albert I talked with: they previously employed two people with developmental disabilities but cannot afford to hire both of them. They had to fire one of those people because the wages got too high. The restaurant in my constituency: same situation. It hired someone with autism but because of the higher minimum wage simply couldn't afford to hire someone who was not able to produce at a higher level. That person no longer has a job.

There are those sorts of stories out there, and that's my worry. Those are the sorts of people who I don't think you want to hurt – I really don't – but I worry that this single-minded focus is hurting people you don't intend to hurt. My ask of you is that you really think hard about the positive and negative consequences of a \$15 minimum wage, and I would ask that you really closely evaluate the data. Look at cases like these and many, many more, as I'm sure you hear from your office on a regular basis, and make sure that we're not doing more harm than good. That's really my request.

I'm going to move on, then, in my last five minutes here to talk about the upcoming changes to labour legislation, employment standards, the labour code, others. My question perhaps, Minister,

you can answer or perhaps your colleagues in administration can answer. How long does it take behind the scenes before we see a piece of legislation in the Legislature? How long does it take to draft legislation?

Ms Gray: That is a highly variable thing. In my short experience as a minister, depending on the type of act or regulation, the amount of time that it takes to draft legislation varies with the number of changes, the complexity.

Mr. Clark: Is it weeks? Is it months?

Ms Gray: Oftentimes legislation drafting is made simpler when you are . . .

The Chair: My apologies for interrupting. I want to try to get us back towards the business plan and the budget estimates at hand here.

Mr. Clark: This is directly relevant. Can we stop the clock, please? Point of order.

The Chair: I can't stop the clock for points of order under the standing orders.

Mr. Clark: I'm going to keep asking my questions, then. This is directly relevant to the labour legislation consultation that's under way right now.

10:50

Ms Gray: Sorry. If you could repeat that.

Mr. Clark: When you're changing legislation, especially complex legislation or things like employment standards or the labour code, is it a matter of weeks? Is it a matter of months? Is it longer than that? I mean, how long does it take to actually draft the bill that we see in the Legislative Assembly when you table that bill?

Ms Gray: It varies entirely based on what policy decisions are being made. Is the drafting going to be reusing drafts from other jurisdictions, or is it completely new work? It all depends on whether you're making a tweak or an entire new section.

Mr. Clark: Okay. The context I have is as a private member. When we're asked to submit private members' bills or motions, it's months in advance because Parliamentary Counsel needs time to do crossjurisdictional and all of the consequential amendments and those sorts of things. So there's a lot of work that goes into it, as I understand it. Given that it takes a long time, there seems to be a fairly short period of time between the end of the consultative process that you're currently undertaking and the end of this spring sitting of the Legislative Assembly. Do you intend to bring amendments to any legislation this spring?

Ms Gray: First, to your comment around having to submit items months in advance to Parliamentary Counsel, the work that Parliamentary Counsel does on behalf of private members is work that my ministry and the Justice ministry are able to do in-house. That work is happening in a different way than it does for private members' business, so the timelines for private members' business don't apply, necessarily, to the work that government is doing.

Currently I'm engaging in consultation with Albertans on both employment standards and the Labour Relations Code, and we have not made any decisions about, once that consultation period is completed and we've talked to people, what that next step would look like.

Mr. Clark: Okay. Have you or the Ministry of Justice started working to draft any changes to the employment standards, the labour code, or any other legislation? Has that work started behind the scenes?

Ms Gray: The potential drafting of changes and the recording of potential changes is work that's constantly ongoing within the ministry. For example, a previous review of employment standards was done in 2014; potential changes were considered at that time.

Mr. Clark: I'm sure you can understand where I'm going with this, Minister. You've got a consultative process which is ostensibly meant to be an open process, which Albertans have an opportunity to participate in and contribute to, and based on those consultations, you're going to make changes to legislation.

Ms Gray: Potentially, yeah.

Mr. Clark: Forgive me for my, perhaps, cynicism, but it seems like there's at least a perception of risk that the ideas and the changes are already locked in and that the consultation is really just window dressing.

Ms Gray: I can tell you that that's not the case, that I am interested in engaging seriously with Albertans through this consultation, as I have in other consultations, and that I'm looking forward to reviewing what Albertans have to say on this.

Mr. Clark: Okay. I'll move on in my last 30 seconds here to page 110 of the business plan and to performance indicator 2(a). My colleague earlier had asked a question. The person-days lost to strikes and lockouts has trended down substantially from 2012-2015. Is that a good thing or a bad thing?

Ms Gray: It's a good thing. It's measurably one of the ways that we track how our labour relations system is operating. What goes into that measure changes substantially. For example, we know that we have in 2017 a higher number than average of collective bargains that are coming up for negotiation.

The Chair: I apologize for interrupting. The time allotted has concluded.

We will now, as discussed before, take a five-minute break and resume at 11 a.m. sharp.

[The committee adjourned from 10:54 a.m. to 10:59 a.m.]

The Chair: All right, hon. members. I will call the meeting back to order.

We will now be moving on to the ND caucus. Would you like to be sharing your time with the minister?

Mr. Carson: I would. Thank you, Chair.

The Chair: Please proceed.

Mr. Carson: All right. Thank you, Mr. Chair. Thank you, Minister and staff, for being here today. I know that your ministry is important when it comes to positioning workers for success, especially in times like these, with the low price of oil and many people looking to further their training to ensure they have a diversified set of skills.

As you mention in your ministry business plan, in any economy there are industries with labour and skill shortages, and it is imperative we connect people to the industries and the employers that are looking to fill such positions. I do have some questions about skills training, but I would like to start with some questions

about the STEP program. Recently many of us had the opportunity to meet with CAUS, a student association representing postsecondary students from across the province, who seemed to show wide support for the STEP program. And through my community I've met with many people who at one time or another have accessed this program. First of all, thank you for bringing it back and continuing it into the next year. My first question is in reference to the STEP program. On page 204 of the estimates, line 2.8, \$10 million was earmarked for STEP. I'm wondering about the value that Albertans receive from this. Specifically, how many companies will have the opportunity to access these funds?

Ms Gray: Thank you very much for the question. In making the decision to reinstate the STEP program, we did something that hadn't been done before, which was to make it available for small businesses. We have made STEP funding available for the following employer types: nonprofit organizations and public libraries, small businesses, municipalities, First Nations and Métis settlements, and publicly funded postsecondary institutions and school boards. The program issues funding first by employer type and then by regional distribution by percentage of workforce based on working age population. There's not a defined distribution between rural and urban communities, but we try to make sure that we are allocating STEP funding across Alberta so that there are recipients in every community.

Mr. Carson: Perfect. Thank you, Minister.

I do have a couple more questions that relate to the STEP program. I understand that you evaluate the program annually. I'm wondering if you can tell me about any changes that you've made to the program. You mentioned a few since bringing it back but also moving forward.

Ms Gray: Making sure that we're continually evaluating our programs is important to us. We are reviewing the results from year 1, including conducting an evaluation with program participants. That information can help us inform any future changes. We've made some changes already to help more employers use the available funding, including a simpler application process, where employers no longer need to submit multiple forms to hire STEP students if they're hiring more than one, reducing the cap for student positions for small businesses and nonprofits from five to three and larger postsecondary institutions from 40 to 35, again just trying to make sure that the benefit of this program is available to as many employers as possible. We're also going to be doing targeted outreach to employers, particularly First Nations, Métis settlements, and smaller municipalities. This will help ensure that employers are able to fully participate in STEP and connect with the students they need.

Mr. Carson: Thank you, Mr. Chair, and thank you, Minister.

Just moving back to my discussions with CAUS, they had some very good things to say about the program, as I mentioned, even advocating to see the program extended to a full year instead of just a summer program. I can imagine that that would be very costly under our budget constraints right now. I'm just wondering if there are any changes that you do see on the horizon for the program.

Ms Gray: Well, we want to do a bit of a larger review of it and make sure that it is benefiting Albertans to the best of its possibilities. Year-round placements are obviously not considered for the current year, 2017-18, but I have heard that from CAUS. They had a very productive advocacy week here at the Legislature. Talking about STEP was something that they took the time to do

with me and my team. We will continue to have those conversations and look at that.

One question that I have asked is, you know: when it comes to the types of work or the types of study a student is doing, should there be any consideration to mapping those two things? I've also heard feedback that sometimes doing something completely different from what you're studying can provide the most benefit because you learn entirely new skill sets. These types of things are constantly in my mind. I will continue to work with my department and all those who use the STEP program, particularly the employers who've had STEP students in the past, to get their input as well.

Mr. Carson: Wonderful. Thank you, Mr. Chair. Thank you, Minister.

Moving on to the next line, 2.9, it shows an increase in skills training. As I mentioned in my opening remarks, it's very important and especially in times like these, moving, hopefully, out of our recession now and connecting employees to employers. I'm wondering what programs this increase will fund.

11:05

Ms Gray: If we're talking about 2.9, I just want to correct you. You're actually seeing a decrease.

Mr. Carson: Oh. My apologies.

Ms Gray: That's okay. But the reason for that \$3 million decrease for skills training and training support was primarily because last year we had federal funding for employment and training programs dedicated purely to the 2016-17 fiscal year, so the decrease in our estimates reflects our programs going back to their base funding level. In 2016-17 the additional funding was primarily allocated to Labour's training for work program, and now we're back to kind of the regular amount.

We work with our partner ministries – Indigenous Relations, Advanced Education, and Community and Social Services – to allocate this federal funding to support Alberta workers and employers through an array of employment and training programs and services. We have a few different areas where we break this training for work money into: immigrant bridging, integrated training, self-employment, transition to employment services, and workplace training as well as First Nations training to employment and aboriginal training to employment as well as income supports for learners. So there are a number of items within 2.9, and we work very hard to make sure that it is going to substantially help support opportunities and individuals to get a job or improve their employment situation.

Mr. Carson: Sure. Thank you. That actually kind of leads into my next question. Can you detail any further about those programs you just mentioned, some successful examples of those that we've seen in the past?

Ms Gray: Sure. I've had the opportunity to tour some of the program delivery agents. Training for work, for example, is one of the main umbrellas underneath 2.9, that skills and training support, and the transition to employment services. There's a Bredin Centre for Learning in Red Deer, which helps with job search, short-term training, and placement, and I had the opportunity to meet with Bredin centres in other areas as well for some of the work they do.

Under the self-employment category here in Edmonton I've been able to talk to some of the instructors who do self-employment training and the support they give in how to develop a business plan, basic accounting support, some of those types of things because we saw an increase in the number of people interested in self-

employment supports during the economic downturn. Some found themselves not at their normal place of work and chose to make a go of starting their own business because we know Albertans are entrepreneurial and resilient, and we want to support that as well.

Those are a couple of examples, but the department does an amazing job of evaluating different opportunities and ways that we can support unemployed Albertans, particularly because of the downturn, so needing to kind of pivot some of those services whereas before, when we had a superheated economy and market, they were dealing with different types of employment challenges.

Mr. Carson: Perfect. Thank you, Minister.

Moving on to outcome 3, key strategy 3.1 of the business plan, it states that the ministry connects Albertans to jobs and responds to Albertans' and employers' current and future needs. I do know that the labour market in the province is changing, so I'm wondering what jobs the department currently sees in demand.

Ms Gray: Thank you for that. We had a chance to talk briefly with MLA McIver about the labour market information that the Ministry of Labour does, the work. A lot of that work gets turned into public reports intended to help Albertans, educational institutions, companies understand what's happening in the labour market and to make responsive decisions.

An example is the short-term employment forecast report. It outlines the most in demand occupations over the next three years. In the 2016-18 report 450 occupations were analyzed, 14 of which were identified as in high demand and 43 in moderately high demand. These are occupations that tended or seemed to be concentrated in health occupations compared to previous years' concentrations in trades. So 14 occupations in high demand include things like registered nurses, massage therapists, retail sales supervisors, motor vehicle body repairers, agriculture service contractors, farm supervisors, and specialized livestock workers, just a few of those examples.

We also produce an occupational demand and supply outlook forecast that looks forward to 2025, where we see a labour shortage of more than 1,000 workers anticipated in areas like nurse supervisors and registered nurses, medical technologists, child care and home support workers, and computer and information system professionals. These types of reports are intended to help job seekers understand what's happening in the labour market as well as educational institutions like the NAITs and the universities to see what's coming up in high demand and how they can tailor their training.

Within the Labour department we have several training programs that support those various sectors, whether that's workforce partnerships, training for work, to a lesser extent the summer temporary employment program or the Canada-Alberta job grant. Each of those helps to secure and maintain employment in high-demand jobs. Within the workforce partnerships program we ensure that working Albertans continue to enhance their skills and respond to skill shortages through collaborative efforts. That's what we're seeing.

Mr. Carson: Perfect. Thank you, Minister. Thank you, Mr. Chair.

Actually, going back to some of those fields that you just talked about and connecting employers to employees, can you tell me how you're working to strengthen those relationships?

Ms Gray: Uh-huh. We try to develop and administer training and employment programs that respond to current and future needs so that we can try and make sure that we're addressing current and future skill shortages. It's really a huge advantage that Alberta has such strong labour market information, and it is something that

other provinces are looking to emulate and replicate wherever possible, I'm sure.

By having this information, we can make sure that not only are we developing and training Albertans, but we can also help to address current and future skill shortages by making sure that we're attracting skilled newcomers through effective labour mobility provisions as well as recognizing qualifications from workers coming from outside Alberta and Canada. We collaborate with the federal and provincial partners to enhance the province's capacity for efficiently and effectively settling newcomers and refugees and doing our best to support their attachment to the labour market.

Mr. Carson: Thank you, Minister. Thank you, Mr. Chair.

On page 110 of the business plan, key strategy 3.6 is to contribute to the implementation of recommendations outlined by the Truth and Reconciliation Commission and the United Nations declaration on the rights of indigenous peoples. I'm wondering what jobs and skills training programs have been made available through your department for indigenous Albertans.

Ms Gray: Thank you for that question. Indigenous people are an important part of our province, and our government is making sure that they have the support that they need to be successful in our workplaces. We've created some collaborative efforts with the Ministry of Indigenous Relations, industry, and communities to facilitate the participation of unemployed indigenous peoples in training programs. I can name two particularly, the aboriginal training to employment and First Nations training to employment programs. As well, indigenous Albertans are, of course, eligible for employment and training like STEP, the Canada-Alberta job grant, and training for work.

Mr. Carson: Perfect. Thank you, Minister.

Outcome 3 indicates the government's commitment to ensuring that workers and newcomers are well prepared to participate in Alberta's dynamic labour market. As per page 110 of the ministry business plans it's also noted that the ministry works with federal, municipal, and community partners to support successful settlement integration for all newcomers to Alberta. However, line 2.2 shows a decline of \$223,000 compared to Budget 2016 and nearly \$4 million compared to 2016-17 actuals in settlement and integration funding. Have any services been cut from that?

11:15

Ms Gray: Thank you very much. Line 2.2, settlement and integration, does show a \$223,000 decrease. Now, we are committed to ensuring the successful settlement and integration of newcomers and their families. We're very strong on the strong settlement sector we have in Alberta and our long-standing partnership to support all newcomers. This decrease that we're showing here does not impact the settlement and integration services provided by our ministry. What you're seeing with that lowering is that because of the decrease to supplies and services as well as a decrease in management employees pension plan employer contribution reductions, that's where we see the decrease.

At the same time there is even a small increase in 2016-17, not this year but the previous year, because of one-time additional labour market development agreement funding used to support unemployed Albertans with skills training and support.

Mr. Carson: Okay. Thank you, Minister. Thank you, Mr. Chair.

On page 110 of the ministry business plan, key strategy 3.5 indicates a commitment to "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.” What is the average Alberta immigrant nominee program wait time?

Ms Gray: AINP is a very important program to our province, and the wait times vary by stream and category. They currently range from one month to 10 months. When the inventory levels allow, we strive to keep the wait times within a three- to six-month time frame. The applications we receive are processed and assessed based on labour market information, application volume, and application receipt date. When the program is oversubscribed, wait times increase significantly. Since the program is limited to issuing 5,500 certificates per calendar year, applications that cannot be assessed in that calendar year are carried over to the next year. The AINP website is updated biweekly to provide clients with information on application inventory and processing dates.

We're considering changes to the AINP to better reflect Alberta's changing economy and to align with federal changes to the temporary foreign worker and permanent resident programs. What I'd like to see happen is simplified processes, reduced wait times, and the ability to better serve applicants. Those types of things are all items that we're going to look at over the next year.

Mr. Carson: Perfect. Thank you, Minister.

I have one final question before I pass it on to my colleague here, depending on how much time I have left. Just moving back to the STEP program for a moment, you know, we've heard lots of conversations about how it's very important, especially in times like these, connecting students to new business opportunities and an ability to get out there in the workforce and experience it. I'm just wondering about enrolment figures, how those have been.

Ms Gray: Absolutely. Well, we're excited to help students access summer jobs again. We're preparing for success by making sure that students are finding these jobs and being able to develop skills in traditional or new careers. We opened the application for summer 2017 from January 20 to February 24, and we received over 3,000 employer applications requesting nearly \$22 million in funding. We can see that it's a popular program. We're currently processing the applications for summer from these employers, and we will be letting employers know who the successful applicants are so that they can start hiring their summer students right away. As described earlier, we do that based on the types of employers, first, and then regionally across Alberta to make sure that the benefit is shared everywhere.

Mr. Carson: Perfect.

Mr. Chair, how much time do I have?

The Chair: Thirty seconds.

Mr. Carson: Okay. I'll just cede my time.

The Chair: Okay. We will now move back to the Wildrose caucus. Would you like to continue sharing your time with the minister?

Mr. van Dijken: Absolutely.

The Chair: Please proceed.

Mr. van Dijken: Thank you, Minister, I'd like to just go back to a couple of items that we were talking about previously with regard to business plan key strategy 1.2, on the minimum wage. You know, we recognize that minimum wage is not a social program, yet the government continues to go on a path of, I believe, using it as such. This program has very significant costs, very real costs for our

Alberta economy, and this program will remove significant resources out of our Alberta economy and transfer them into dollars going to Ottawa.

I know that the Alberta Chambers of Commerce has done a very in-depth study with regard to the costs to the Alberta economy and being transferred to Ottawa. I would hope that you've seen this study and are paying attention to that study. Their quote in their June 30, 2016, release:

The Government of Alberta has ignored how these increases will affect minimum wage earners and their access to income tested supports such as GST, Canadian Child Tax Benefit and the Working Income Tax Benefit. Ignoring these programs will mean that the Government of Canada will benefit from clawing back a portion of these income-tested benefits.

These are very real dollars that are not being engaged in our Alberta economy.

Some of the numbers that they quote are for when we move from \$11.20 to \$15 per hour. A single income earner, one child, no daycare: the benefit to the federal government is \$2,421. That's \$2,421 that would be removed from the ability of our Alberta economy. Two income earners, no children: \$3,160. Two income earners, one child with daycare: \$5,129. Minister, have you seen these numbers? Like, are we not considering these numbers in the decision to move towards a \$15 minimum wage within a federation?

Ms Gray: Thank you. All hard-working Albertans deserve to make enough to support themselves and their families, and I feel very strongly that someone working a full-time job should not be having to stop at the food bank on their way home from work. I do know that by increasing the minimum wage, we are putting more money into the pockets of those minimum wage earners. They are taking more money home at the end of the day.

I have seen the work that the Alberta Chambers of Commerce has been doing. As we continue to phase in the increase to minimum wage, we will continue to monitor the impacts and what's happening. We also have looked at how the increase in minimum wage will impact benefits like the child tax benefit, some of the others that you've mentioned.

Employers will benefit from increased employee productivity, job satisfaction, decreased turnover and training costs. We are increasing the money circulating in the local economy when we pay the over 60 per cent that are women more money, when they're earning that \$15 per hour minimum wage.

Mr. van Dijken: Excuse me, Minister. You said: when we pay. You're making it sound as if that's the government paying, but these are employers that are paying that. This is not a social program. Minimum wage was never meant to be a social program, yet you're talking as if it is.

I'd like to move now on to the . . .

Ms Gray: I'd just like to correct that. I'm not speaking of it as a social program. If somebody is working a full-time job, if someone is going to an office or a retail location and working 40 hours per week, that person should not need to go to the food bank on their way home from that job. That is my belief.

Mr. van Dijken: Absolutely. I would concur that we need to have social programs in place to help those that are disenfranchised, but I do not believe that minimum wage is the proper course to be able to get there.

Ms Gray: Would you describe someone working 40 hours per week as disenfranchised?

Mr. van Dijken: No. We are very concerned about the fact that people without a job are even more susceptible to needing to go to the food bank.

If we can move on, then, to your strategies with regard to the labour code review. I'm still not satisfied that four private meetings, invitation-only meetings, meet high expectations for transparency and engagement. I guess I need to get an understanding: why did you decide against doing public meetings, open public meetings? You know, we reflect back on Bill 6 and the preconsultation prior to the legislation being introduced. The ministry was surprised at how much push-back they got. I guess I'm concerned that the same thing is going to happen here, that the public is going to all of a sudden say: wow; we were not consulted on this at all. Why did you decide against doing public meetings?

11:25

Ms Gray: For our consultation on employment standards and the Labour Relations Code we are engaging with the public through the website, where we're asking anyone with interest to submit their thoughts through e-mail or through a letter to the department letting us know their thoughts. We have engaged renowned labour lawyer Andrew Sims, someone who has worked with previous governments, was the chair of the Labour Relations Board, and someone who knows not only the Labour Relations Code but the labour relations community and the stakeholders within, to help advise our government as we continue to look at the Labour Relations Code changes. I've been very pleased that we've received over 3,000 responses online so far.

Mr. van Dijken: Okay. Thank you for that, Minister.

I guess, when do you expect to have a report back from Mr. Sims?

Ms Gray: I have not given him a deadline per se. We have publicly communicated April 18 for the online portion, but I think we intend to have conversations continuing past that.

Mr. van Dijken: Okay. Thank you, Minister.

I would suggest that until that report comes back and is open and transparent, no legislation is necessary or should be introduced before then. You know, I did ask questions with regard to the labour review in the Legislature. We take a look at the daylight saving time bill being introduced and going public through a committee: very transparent, very accountable. This is consultation that is recorded and open to the public as opposed to possible consultations that are looking at maybe selective note-taking. Like, this needs to be very public and open, very transparent to meet the guideline of high expectations for transparency and engagement. I would suggest that an all-party committee discussing these laws around our labour laws would be very helpful in allowing this metric of high expectations for transparency and engagement.

Ms Gray: Thank you for the suggestion.

Mr. van Dijken: Okay. Thank you. I would take that as that's not important to you at all.

Item 2.2 in your business plan: we have mediators and arbitrators, and we're looking at, as they are replaced, increased diversity. Could you give me what a mediator's, arbitrator's job description would be?

Ms Gray: For that one I might actually ask one of my department officials because I don't want to misspeak.

Mr. van Dijken: Okay. Thank you.

Mr. Parr: Through the chair, I don't have the job description in front of me, but the mediator's job is to work with the employers and unions who are either involved in a labour dispute or are coming close to a labour dispute. Essentially, they work back and forth with the parties to try and get them to moderate their positions so they can get closer to an agreement. When it's successful, people arrive at agreements. Really, everyone ends up compromising, and you end up with a resolution.

I think you asked also about arbitrators.

Mr. van Dijken: Yeah, mediators and arbitrators.

Mr. Parr: Arbitrators are somewhat different. Think of them essentially as like a judge that sits and hears both parties. They would put forward their positions. He will undertake some inquiries, but ultimately at the end he will make a decision or she will make a decision about what the resolution will be.

The Chair: I apologize for interrupting. The time has concluded for this portion.

Mr. van Dijken, just really quickly, you referenced a document. Would you mind tabling that in the House?

Mr. van Dijken: I can do that. Absolutely.

The Chair: Thank you.

We'll now move on to the PC caucus. Would you like to continue sharing your time with the minister?

Mr. Gill: Sure, please.

The Chair: Please proceed, Mr. Gill.

Mr. Gill: Thank you, Mr. Chair. Thank you, Minister, for being here with us. Earlier, when you were answering a question from the hon. Member for Calgary-Elbow, you were saying that you do care about the data. My question to you is that if the data presented to you shows that it is actually detrimental to people who you're actually willing to help, who you're meant to help by increasing the minimum wage—if the data shows clearly that this policy is actually backfiring for those people, are you going to reverse the decision on that? Yes or no. Simple.

Thank you.

Ms Gray: Thank you very much. As I was talking to Mr. Clark and as I've said a few times at this table, monitoring the implementation of the \$15 minimum wage is a priority. We have within our department as well as in partnership with Stats Canada the ability to track what's happening in our labour market and what employment impacts there may be as we go forward, and we will continue to do that.

Mr. Gill: So I'd say that, like, you could potentially reverse that decision.

Ms Gray: We are committed to \$15 by 2018, and we will continue to monitor the implementation. One of the things business asked us for was certainty so that they can plan for and know what the future increases will be. Having heard that feedback from business during the consultations, that is important to me.

Mr. Gill: Okay. Thank you, Minister.

Now, talking about WCB reviews, when can Alberta employers get certainty about what will happen to WCB overpayments and refunds? Are they going to get refunds on overpayments this year?

Ms Gray: That's a decision made by the WCB. They have an executive as well as a board that oversees the running and functioning of it. The WCB will choose to make financial decisions in its own time.

For the panel process, which is the review of the WCB as a system, I'm expecting that report to come in the spring. So as far as any changes to legislation, policy, or governance I'm going to wait until the panel has submitted documents. Does that answer your question?

Mr. Gill: Yeah, I guess.

Performance measure 3(a) is about training for work clients reporting that they're either employed or in further education or training after leaving a skills training program. What is the rate of unemployed recent postgraduates that you are planning for in this budget and in this business plan?

Ms Gray: I apologize. So I'm looking at 3(a)?

Mr. Gill: That's right.

Ms Gray: The percentage of training for work clients reporting they're either employed or in further education or training after leaving a skills training program: here what we're trying to do is measure the percentage of Albertans who essentially report a successful next step after they've embarked on education or training within one of our skills training programs. But I'm not sure I understood your question because I don't think that's what you're asking.

Mr. Gill: So let me ask: why do the targets not escalate if these tools are, you know, there to measure that success rate? Why is the success rate not increasing? In layman's terms.

Ms Gray: Okay. We've set our target at 70 per cent, but why does it not increase beyond there?

Mr. Gill: That's right.

Ms Gray: What we've tried to do with this measure is try to use our experience from the past, what we've seen as trends, to set a reasonable goal for ourselves going into the future, a target that we can try to aspire to. If we see next year that we are increasing past 70 per cent, I could see us increasing that even further. But as it is right now, we have left it at 70 per cent across the board.

I'll just check in with my deputy minister whether he might recall any other specifics around that item.

Mr. Parr: No. As you'll note, for last year we were at 68 per cent, so 70 per cent would represent an improvement. As we work through our business plans, if we see the trends moving up, of course, we need to adjust our targets so that we can sort of continue to push ourselves to improve. But I think we're basing it on what we have at this point, and then we'll make future decisions.

11:35

Mr. Gill: Okay. Thank you.

Minister, can you please tell me how many Alberta graduates fled this province last year because they couldn't find any opportunity?

Ms Gray: I'm not able to speak to recent graduates. There is tracking of workforce and whether people are entering Alberta to work or are leaving. When I last saw that information, more people were coming to Alberta than were leaving, but I don't have that information at my fingertips.

I'll just see if my deputy minister has any further information on that.

Mr. Parr: Not specifically with regard to recent graduates. But, you know, I've seen studies of the comparison of sort of the out-migration at this period of time versus the previous recession, and it's been characterized as still only a trickle whereas the recession in the '80s was a much more difficult period of time that people were going through. This was a difficult recession for people to go through. The economy is starting to turn back up, and we've been fortunate that we haven't seen the mass outright migration that we've seen in the past. As the minister said, it's almost balanced by the net in-migration. Yes, for the individuals it's very critical, but when you aggregate it, it's...

Mr. Gill: So we don't have data that shows that X number of students who graduated from, like, NAIT, SAIT, Mount Royal, U of C, or any undergrad or educational institution have actually left this province because of lack of opportunity?

Mr. Parr: I think it's difficult to attribute a motive for people's departure from a province. Young people are particularly mobile. They move different places to go to school. They complete school. They go where the opportunities are. I think the key thing here will be to ensure that there are opportunities for people so that we've got options for Albertans and to attract other people. I think as the economy starts to trend back up, you know, you'll see those things turning around.

Mr. Gill: Okay. Thank you.

Ms Gray: I would just flag for you that we do an Alberta labour mobility evaluation survey each year, and the 2016 survey is currently in progress. So we can look back at last year, and you would be interested in that when that comes out.

Mr. Gill: Sure. Perfect. Thank you, Minister.

Last year, Minister, you noted that the Alberta-Canada foreign qualification recognition contribution agreement was winding down. Is there a new agreement in place to replace the older one?

Ms Gray: Go ahead.

Mr. Parr: Our federal partners, you know, are certainly interested in having discussions with us about putting in place a new agreement. As we've asked them if they would like to engage in discussions about that, what they've said is: we would like to see this one complete, do the evaluation of it, and then engage in some discussions at that point. We expect we'll be discussing with them in the fall of '17 the renewal of this program. Clearly, we're getting good benefits, and we have every reason to believe that the federal government will find the same thing. But just given their program criteria, they want to complete their evaluation before they engage in some discussions with us. So we are optimistic.

Mr. Gill: Okay. Thank you.

What's your ministry doing to improve the foreign qualifier and to create the continued training opportunities in professions such as teachers, doctors, nurses, social workers? Our Alberta government is the largest employer in this category. Is our government doing something about the foreign qualified people who migrate to Alberta, to help them, you know, get back into their profession?

Ms Gray: Thank you very much for that question. Making sure that someone who comes to Alberta is able to have their qualifications recognized and be able to work in their chosen profession here is a

priority for us, and through our foreign qualification recognition program we aim to do just that. We have been making some positive changes here by improving our assessment and recognition process.

The Chair: I apologize for interrupting. We will now move on to government caucus time.

Mr. Coolahan, would you like to share your time with the minister?

Mr. Coolahan: If that pleases the minister.

Ms Gray: That's good.

The Chair: Please proceed.

Mr. Coolahan: Thank you, Chair. Minister, it's been pretty fascinating listening to the opposition's take on minimum wage. Now, what I'm hearing over there, actually, is that it's better for somebody to earn less and to receive social assistance or charity, which doesn't make any sense to me. Perhaps you could shed some light on this and tell us who actually is earning minimum wage right now in Alberta. What are the benefits of a higher minimum wage both to those who earn it and to the province?

Ms Gray: Thank you very much for the question. We've had a brief chance to talk about who our minimum wage earners are, but just to really clarify that, the people earning under \$15 per hour: we have nearly 300,000 Albertans, and 78 per cent of them have permanent jobs, nearly 40 per cent are the primary earners in their households, and over 60 per cent are women. So primarily women, and nearly 40 per cent have children. We are talking about families; we are talking about adults; we are talking about a variety of people that are getting moved closer to the living wage that was discussed earlier. Increasing that minimum wage is going to allow those who are working a full-time job to be able to support themselves and pay for housing, transportation, and food because someone working a full-time job should be able to afford those things.

Families that receive that wage increase will have more money to spend on housing, school supplies – but less on school fees thanks to Bill 1 – clothing, and groceries. That increased spending power is going to help stimulate our local economy because those minimum wage earners will receive the paycheque and it does not get sent to an offshore account; it gets reinvested through spending in the local economy immediately.

Employers benefit with increased employee productivity, job satisfaction, decreased turnover and training costs, and we've talked to many employers who say those same things.

To support employers, we have cut the small-business tax, making access to capital more available, made them able to apply to the summer temporary employment program. And, of course, we are continuing to invest in our Alberta economy through infrastructure investments.

The members opposite did refer to it as a social program, and that is incorrect. We do have many low-income Albertans, and support for them is through the Alberta child benefit program as well as the tax benefits and supports through Community and Social Services. Those types of things are available to assist families. Here we're just making sure that someone who works that full-time job is able to pay for basic necessities.

Mr. Coolahan: That's great. Thank you so much for that.

Has the opposition ever expressed to you where they think minimum wage should be or if we should start lowering it already?

Ms Gray: My previous critic within the Wildrose did express . . .

The Chair: Sorry. Hon. member, I want to zero this back into the discussion at hand, which is the budget estimates here.

Mr. Coolahan: Okay. Thank you, Mr. Chair. That's fine.

I want to talk about line 2.7 on page 204, please. It is one of the largest decreases in your department, almost \$7 million from the last budget, and it is covering labour market programs. Can you explain to us what is covered under these programs and what might be impacted by this decrease in funding?

Ms Gray: Thank you very much for the question. When we're looking at 2.7, the labour market programs support Alberta employers and their employees to gain the skills they need to succeed in the workforce. The primary program delivered under this line is the Canada-Alberta job grant. The 2017-18 estimate is higher than the 2016-17 forecast primarily due to the reallocation of additional federal funding for employment and training programs received during the 2016-17 fiscal year.

Labour collaborated with its partner ministries – Indigenous Relations, Advanced Education, and Community and Social Services – to allocate this funding to an array of employment and training programs and services for Alberta workers and employers. As well, we've reallocated some of our labour market funding to initiatives in other areas that would produce the best possible employment and training outcomes. I'm just looking to see if there's anything else I'd like to add. Essentially, we've just done some reallocation through there.

11:45

Mr. Coolahan: Okay. Thank you for that.

Ms Gray: You're welcome.

Mr. Coolahan: I would like to move on a bit. First of all, I'd like to thank you for initiating the labour code review. I know it has been since – Eddie the Eagle was in town the last time it was reviewed. It's been a long time. [interjection] Sorry. In my town, Calgary. It was much more of a town back then, actually, than it is now. Anyway, I think it is long overdue. And it is a review. Let's not forget. I don't know why we need to recoil over something that says that it's a review. We're looking at options and gaining understanding.

Strategy 1.1 talks about making fair and family-friendly workplaces. What we've heard from you is that Alberta is out of line with other Canadian jurisdictions. Can you tell us in what kind of areas Alberta is out of step on this?

Ms Gray: Thank you very much. To be clear, I'm interested in engaging Albertans in a discussion about these items. Some of the things we've been talking to Albertans about through this engagement have to do with things like: Alberta is one of the few provinces that does not guarantee that employees who are absent due to sickness or injury won't lose their job.

That being said, what I'm hearing through the consultations is surprise, because most employers most of the time do have a sick-leave policy. Both workers and employers, quite a few people, have said to me: I didn't realize Alberta didn't have job-protected sick leave and that we were the only province to not have that. That's one of the things that I'm happy to have that conversation about. We have the shortest or among the shortest compassionate care leave in Canada, making it out of step with the federal employment insurance improvements.

Periodically the employment insurance program through the federal government will have changes and updates. Other provinces have been updating their standards to match those federal changes.

Again, we're talking to Albertans about what makes sense in Alberta. Should our leaves be in line? As well, Alberta has the longest qualification period in Canada for job-protected leave; for example, maternity and paternity. What makes sense here in Alberta, and what impact could there be if we looked at changing the qualification period? That conversation has been important to me.

Finally, we're talking about enforcement and administration. The creation of penalties or fines is something where Alberta is out of step with some of the other jurisdictions. What makes sense? What expectations do we want to set for ourselves as we go forward? When we're talking about family-friendly things like maternity/paternity leave, sick leaves, compassionate care leaves, these I think all fall under that umbrella of potentially family friendly, again just helping Albertans to be able to balance work responsibilities and family responsibilities in a reasonable, fair, and balanced way. That's the conversation that I am having with Albertans through our engagement online, and it has happened at some of those round-table discussions.

Mr. Coolahan: Fantastic.

I don't have a lot of time. Maybe just quickly, then. I may have missed this. The labour code review: where do we find that? Under which aspect of the budget?

Ms Gray: You would find that under 3.2, labour relations. As my deputy minister was speaking to earlier, we are working to make sure that we're doing these discussions as efficiently as possible, without overly impacting the budgets.

Mr. Coolahan: Okay. Fantastic.

The Chair: I apologize for interrupting. The final 10 minutes will be allotted to the Wildrose opposition caucus.

Mr. van Dijken: Thank you, Chair. It is fascinating to me that members of the governing party fail to recognize the very real risk of not having a job with regard to policy that is being set by this government in increasing minimum wage to a situation where we possibly cannot compete with other jurisdictions.

Just for clarification, you know, the minister alluded to members opposite referring to it as a social program. Members opposite did not refer to it as a social program, but members opposite did refer to this government utilizing it as if it's a social program and taking the responsibility of society in general and putting it onto the backs of employers and investors within this province.

With that, I'd like to go back to where we left off in our discussion on mediators and arbitrators. I would ask: there must be job descriptions available somewhere, and if those could be tabled. If we could get an understanding of those types of job descriptions, that would be helpful. We heard a little bit about the job description from the deputy minister. In your business plan, line 2.2, you talk about "increase diversity" in appointing mediators and arbitrators. I just need to get an understanding of what you mean by "increase diversity." These are very specific jobs that need to be filled, so what is meant by "increase diversity"?

Ms Gray: Thank you for the question. Within 2.2 our government believes that public organizations and services should reflect the diversity of Alberta, and Alberta is a very diverse province. We are committed to increasing gender and ethnic diversity wherever possible. As vacancies become available, we will take gender and ethnic diversity into consideration along with qualifications when selecting individuals for the grievance, arbitration, and designated mediator rosters. This is a similar approach to what we've done with

our agencies, boards, and commissions in having a more open, transparent, and reflective-of-Alberta process for nominating people to ABCs.

Mr. van Dijken: Okay. Thank you for that, Minister.

I'm going to move on to economic diversification. On page 107 of the business plan it says that your ministry will be supporting economic diversification. Last November there was media coverage of a research paper put out by economists Trevor Tombe and Robert Mansell at the University of Calgary, *If It Matters, Measure It: Unpacking Diversification in Canada*. It said that governments' economic diversification plans include no definition or specific goals with regard to diversification. As well, it reads that "Alberta and Saskatchewan currently have the most diverse employment in Canada." I guess it leads me to ask the ministry whether or not your ministry has now a definition of diversification, and what is that definition?

Ms Gray: Thank you very much for that question. In this case we are using the language or the definition from Economic Development and Trade.

Mr. van Dijken: Okay. Does the Minister of Economic Development and Trade have any specific goals with regard to the area of economic diversification, and how is your ministry assisting in that diversification?

Ms Gray: Regarding the Minister of Economic Development and Trade's goals, you would need to ask that question of him. From the Labour ministry's perspective, how we are supporting economic diversification and trade is by ensuring that Alberta has a skilled workforce ready for the jobs of today and the expected demand of jobs going forward. Through our labour market information and some of the reports that I referenced earlier for both short-term and long-term labour market forecasts, we can see what fields and what skill sets may be in higher demand so that we can adjust skills training programs and provide that information to Albertans and to education.

Mr. van Dijken: You know, I guess referring back to the report again, we have currently the most diverse employment already in the country, so I'm trying to understand. The Minister of Economic Development and Trade must have given you some kind of an indication of how they identify diversification and how it will be necessary to fill that.

11:55

Ms Gray: You are referencing a report that I don't have in front of me, so I'm not sure I'm able to adequately respond to your questions.

Mr. van Dijken: Okay. Thank you.

Then we'll move on to outcome 3 of the business plan. Key strategy 3.3 is to develop labour market information to support informed decision-making.

Ms Gray: Correct.

Mr. van Dijken: I believe that last year you said to my colleague from the Progressive Conservative caucus that you'd been trying to start tracking where you can make improvements by including the unemployment numbers for a variety of different populations. Where are we at with that, and what have you learned from that data tracking?

Ms Gray: My department provides labour market information that is crucial to supporting informed decision-making for workforce planning, education, training investments so that Albertans can be successful in our workplaces. We continue to track and measure those items within our business plan. The performance measures and tracking that we are doing include measuring our labour force participation rate. It's a primary indicator for us for labour market attachment because it considers those employed as well as those also seeking work, so it provides a better measure for us to be able to track our performance.

Mr. van Dijken: Okay. Thank you for that, Minister.

I'm going to move on to the budget estimates, page 205. We have some unbudgeted spending there with regard to labour attraction and retention, labour qualifications and mobility, and labour market programs. Could you give us a description of that unbudgeted spending, and why did that suddenly appear in your expense areas?

Ms Gray: Is there a line number for that?

Mr. van Dijken: Page 205, line numbers 2.5, 2.6, and 2.7. It totals up to just shy of 1 and a half million dollars' worth of spending that was unbudgeted.

Ms Gray: In 2016-17 we had additional capital spending in the following areas: workforce strategies, \$1.5 million for IT systems development for programs like the Alberta immigrant nominee program, land agents licensing, and the Canada-Alberta job grant as well as some additional monies for IT systems development in our safe, fair, and healthy workplaces area.

Mr. van Dijken: Okay. Thank you for that, Minister.

Then line 3.3 on that same page, occupational health and safety. It's an ongoing expense, \$900,000 in capital acquisition for occupational health and safety. What types of items are covered off with that line item?

Ms Gray: Within occupational health and safety?

Mr. van Dijken: Yes. Line 3.3.

Ms Gray: Absolutely. There's a series of work, a great deal of work, that takes place under occupational health and safety. This is where we have our occupational health and safety officers, where we do proactive education programs, where we work with employers to make sure that we have safe workplaces.

I'm going to ask my deputy minister, just speaking broadly on line item 3.3: what might you highlight as the activities that take place within occupational health and safety?

Mr. Parr: Thank you very much. In occupational health and safety we're capturing there all of the compliance activities, all of the sort of analysis that goes behind targeting where our compliance activities go. It also would reflect the policy and strategy work we do with respect to that to make sure that our standards are staying in line.

I think you also asked in particular about some of the capital expenditures. As the minister said, there's an ongoing need to keep our IT system up to date, and, you know, we will need to continue to do that.

Mr. van Dijken: Okay. Thank you. So it's mostly IT related.

Mr. Parr: The \$900,000? It is IT and fleet.

Mr. van Dijken: Yeah. Okay.

One last question. I'm going to go to page 210 with regard to labour market development revenues. What falls under that item?

The Chair: My apologies, Mr. van Dijken, but I must advise the committee that the time allotted for the items of business has concluded.

I would like to remind committee members that we are scheduled to meet tomorrow, April 12, at 9 a.m. for consideration of the Ministry of Infrastructure estimates.

Thank you, everyone. This meeting is now adjourned.

[The committee adjourned at 12 p.m.]

