Published on The National Law Review https://natlawreview.com

The 'Restoring Balance in Alberta's Workplaces Act': Bill 32 Proposes Key Changes to Labour and Employment Legislation

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On July 7, 2020, the Government of Alberta proposed important changes for workplaces through Bill 32, the <u>Restoring Balance in Alberta's Workplaces Act, 2020</u> (Bill 32). The stated purpose of Bill 32 is to increase investment in Alberta's workforce and to reduce the administrative burden for employers. On July 29, 2020, Bill 32 received Royal Assent.

Bill 32 will result in amendments to Alberta's *Labour Relations Code* and *Employment Standards Code*. These changes continue to take effect in stages, having begun after Bill 32 became law. Some of the more labour-oriented changes, such as those pertaining to union financial statements and renewals of collective agreements, will take effect immediately. More employment-oriented changes—such as those concerning group employment termination notices, the length of temporary layoffs, and new variances and exemptions—will take effect on August 15, 2020. Additional changes to the *Employment Standards Code* will take effect on November 1, 2020.

Key Changes for Employers

Temporary layoffs. Layoffs can now last for 90 days within a 120-day period. If a layoff is a result of COVID-19, the layoff may be up to 180 consecutive days.

Vacation and holiday pay. Employees will still receive general holiday pay, but employers will not have to include vacation or general holiday pay in the calculations of average daily wages.

Payroll. Employers can correct payroll errors by providing written notice to employees that deductions will be made to their paychecks. Employees will not have to provide written consent to authorize the deductions.

Group terminations of employment. Prior to Bill 32, employment terminations of more than 50 employees at a single location within a 4-week period required varying amounts of written notice. Group terminations of 50 to 99 employees required 8 weeks of written notice, terminations of 100 to 299 employees required 12 weeks of notice, and terminations of 300 or more employees required 16 weeks of notice. Under Bill 32, terminating the employment of 50 or more employees will follow one

set of rules. Employers must give written notice to the Minister of Labour and Immigration "at least 4 weeks before the date on which the first termination is to take effect," and other reasonable notice may be accepted.

Final pay following termination of employment. Prior to Bill 32, an employer had to pay an employee's earnings no later than 3 consecutive days after the last day of employment, or no later than 10 consecutive days after the last day of employment, depending on the circumstances of the termination. Pursuant to Bill 32, employers will be required to pay employees their final earnings either:

- "10 consecutive days after the end of the pay period in which the termination of employment occurs"; or
- "31 consecutive days after the last day of employment."

Administrative penalties, more flexible rules for variances, and exemptions. The penalties placed on employers for breaking rules may be reduced, and more flexible payment options will be available to employers. Employers will also have an easier time obtaining approval for and renewing a variance or exemption.

Key Changes for Unionized Employers

Altering employment standards rules. Employers and unions will be allowed to alter some of the employment standards rules. Specifically, they can alter the rules pertaining to hours of work, notice of work times, days of rest, and overtime hours under hours-of-work averaging arrangements.

Choosing a new union. If employees in the construction sector choose a new union, their existing collective agreement will continue to apply until it expires.

Renewing a collective agreement. If the Labour Relations Board recognizes that employees have provided consent, an employer can work with a union to renew a collective agreement before its expiration date.

New rules for strikes, lockouts, and picketing. During an illegal strike, the Labour Relations Board may allow the employer to suspend union dues. During an illegal lockout, however, the employer may be directed to continue to pay union dues. Unions will also have to obtain the permission of the Labour Relations Board before picketing at a secondary business.

Changes to complaint process. An employer will have to prove that it is not culpable for allegations contained in complaints only when the complaint is about unfair termination or discipline. A union will have to prove that it is not culpable when defending against allegations of coercion or intimidation, or when it is alleged to have violated opt-in provisions.

Major construction projects. Industrial units will be allowed to represent all employees working under one employer, even when their trades differ.

Financial transparency and dues for a political purpose. Unions will have to make their financial statements available to their members after the end of each fiscal year. Though core union funding will remain intact, union members will have to opt in to any political spending done by the union.

Conclusion

The changes introduced through Bill 32 are wide-ranging and will have implications for employers, employees, and unions. For employers, Bill 32 cuts the red tape involved in payments, terminations, and labour negotiations so that employers can have more freedom to organize their workplaces and manage the labour and employment requirements of the legislation with greater efficiency. These changes are timely because as workplaces continue to open, employers will be able to operate with greater flexibility and reduce administrative costs amid the COVID-19 pandemic.

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National Law Review, Volume X, Number 220

Source URL: https://natlawreview.com/article/restoring-balance-alberta-s-workplaces-act-bill-32-proposes-key-changes-to-labour