Bill 2: An Act To Make Alberta Open For Business And Proposed Changes To The Employment Standards

June 03, 2019

On May 27, 2019, a little more than a month after the new United Conservative Party government was elected in Alberta, the government introduced and passed the First Reading of Bill 2, *An Act to Make Alberta Open for Business*, which proposed several changes to the *Employment Standards Code*, and the *Labour Relations Code*. Below are some of the most significant changes for employers to consider.

Changes to the *Employment Standards Code*

1. Overtime Banks: 1.5 Time to Straight Time

Currently, under the overtime agreement system, employees can "bank" 1.5 hours of time off with pay for every hour of overtime worked. This provision only came into force on January 1, 2018 under the previous New Democratic Party government, however, under the proposed Bill 2 amendment, this will be repealed. Employees will now return to "banking" one hour of time off with pay for every hour of overtime worked instead. Note that the requirement of a written overtime agreement between the employer and employee or a group of employees, or as part of a collective agreement is still required before an employee can receive time off with pay instead of overtime.

This amendment is proposed to come into force on September 1, 2019.

2. General Holiday Pay: Eligibility and Normal Work Day

Currently, an employee is entitled to general holiday pay immediately upon employment. This provision also only came into force on January 1, 2018, but the proposed Bill 2 amendment will repeal this provision. If the amendment passes, only employees who have worked for the same employer for 30 work days or more in the 12 months preceding the general holiday will be entitled to general holiday pay.

Similarly, under the proposed Bill 2 amendment, the distinction for general holiday pay based on what is a "normal work day" makes a return after this distinction was repealed on January 1, 2018. Where the employee works an irregular schedule, and there is

doubt whether the general holiday falls on their normal work day, the general holiday is considered a normal work day if the employee worked on the same day of the week as the general holiday on at least **five of the nine weeks** preceding the work week that the general holiday occurs. The proposed general holiday entitlements are as follows:

- **If general holiday is a normal work day, but employee does not work, employee receives**:
    - At least the average daily wage (5 per cent of employee's wages, vacation pay and general holiday pay earned in the four weeks immediately preceding a general holiday)
- **If general holiday is a normal work day, and the employee works, employee receives:**
    - At least the average daily wage **AND** at least 1.5 times the employee's wage rate for each hour of work; **OR**
    - At least the average daily wage **AND** one day's holiday **AND** at least the employee's wage rate for each hour of work
- **If general holiday is not a normal work day, but Employee works, employee receives:**
    - At least 1.5 times the employee's wage rate for each hour of work

Essentially, the general holiday pay calculation remains the same as the current legislation, except for employees where the general holiday does not fall on their normal work day.

This amendment is proposed to come into force on September 1, 2019.

3. Minimum Wage

In a related amendment, the *Employment Standards Regulation* on minimum wage was also amended by an Order in Council. Under this amendment, an employee under the age of 18 years and is a student enrolled in an educational institution is entitled to a $13.00 per hour minimum wage (reduced from the current rate of $15.00 per hour) for work performed:

- During a school break, such as spring break, winter break or summer vacation that is recognized by the employee's educational institution; or
- For the first 28 hours in a work week for work performed other than during a school break.

This Order in Council comes into force on June 26, 2019.

Changes to the *Labour Relations Code*

4. Support for Union Certification

Currently, if the Board is satisfied at the time of application for certification that the union had support of more than 65 per cent of the employees in the unit, a representation vote is not required. This provision was also introduced by the previous government, and will be repealed by the proposed Bill 2 amendment. The peculiar possible outcomes of certification without a representation vote were discussed in our publication on Key Decisions from 2018 earlier this year, where a union was certified despite all of the

employees being against the union. Under the proposed Bill 2 amendment, representation votes will be required for all union certifications.

The amendment also changes what is considered evidence of employee support for union certification. Currently, evidence of support includes employees applying for membership in the trade union and paying on their own behalf a sum of not less than $2 not longer than six months before the date the application for certification is made. Under the proposed Bill 2 amendment, that time period has been shortened to 90 days.

This amendment is deemed to be in force on May 27, 2019 if Bill 2 receives Royal Assent. As a result, if a union is certified without a representation vote conducted by the Board between May 27, 2019 and the date of Royal Assent, and Bill 2 receives Royal Assent, the certificate will be deemed to be void.

5. Support Program for Employees

The proposed Bill 2 amendment also empowers the Minister of Labour and Immigration to establish a program to provide support and assistance to employees with respect to matters under the *Labour Relations Code*, the *Police Officers Collective Bargaining Act*, the *Public Education Collective Bargaining Act* and the *Public Service Employee Relations Act*. Details on the program is sparse at the moment, but more information is expected to be released ahead of the program beginning on October 1, 2019.

Future Changes?

It appears that Bill 2 is only the beginning of changes to labour and employment legislation in Alberta. Possible changes in the future may include workplace safety changes for farms and ranches, and a different minimum wage rate for hospitality workers who serve alcohol. Further changes to labour legislation are also expected to be tabled in the fall, so stay tuned for our updates on any future changes.

By

Tommy Leung

Expertise

Labour & Employment

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.