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September 9th, 2019

Standing Committee on Resource Stewardship
 c/o Committee Clerk
 3rd Floor, 9820 - 107 Street
 Edmonton, Alberta T5K 1E7

To: Committee Clerk and Committee Chair MLA David B. Hanson

Dear Mr. Hanson,

The Alberta Union of Provincial Employees (AUPE) welcomes the opportunity to be able to provide feedback to the Standing Committee on Resource Stewardship with regards to the *Public Sector Compensation Transparency Act*.

Pursuant to Section 14 of the Act and the requirement that the act be reviewed and a final report be submitted within six month of the review, the accompanying document consists of AUPE's submission and recommendations to this review.

We hope that you share this submission with other relevant committees, and with other members of the legislative assembly. We also welcome the opportunity to present our recommendations to the committee in person, and we look forward to hearing from you as to when this can occur.

We thank you for taking this time to review the Act and for taking our recommendations into full consideration.

Sincerely,

Guy Smith
 President

G. Smith President	J. Heistad Executive Secretary-Treasurer	M. Dempsey Vice-President	R. Feland Vice-President	B. Gostola Vice-President	J. Hart Vice-President	S. Slade Vice-President	K. Weiers Vice-President
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ALBERTA UNION OF PROVINCIAL EMPLOYEES

**Recommendations on
Amendments to the
*Public Sector Compensation
Transparency Act***

Submitted to the Standing Committee on Resource Stewardship

SEPTEMBER 9, 2019



AUPE represents 95,000 public sector workers and publicly funded private sector workers across the province of Alberta, as such we have a vested interest in the ways in which public money is utilized. The *Public Sector Compensation Transparency Act* (henceforth referred to as *The Act*) is one important mechanism that helps ensure that public money is utilized appropriately in Alberta.

AUPE recognizes the importance of ensuring transparency and accountability within public structures particularly with regards to compensation, and we recognize the work that has been done over the last four years to increase transparency in Alberta. We believe that *The Act* must meet the desired objectives of transparency and accountability, but must weigh these valuable objectives with the sensitive nature of disclosing personal information such as individual's names, salaries, and compensation information.

At the core of our recommendations lies the value that public money must be used in the best manner possible, and in the most reasonable and fair manner for employees as well as for all Albertans.

We recognize the Government of Alberta already requires the following to be disclosed¹:

- Compensation includes: base salary, overtime, bonuses, honoraria paid to board members and taxable benefits
- Severance Reflects the amounts paid or payable related to termination of employment, including retiring allowance
- Non-monetary (other) benefits are generally non-taxable including the employer's portion of pension contributions, employment insurance, Canada pension Plan, and Worker's Compensation Board Premiums
- Employment or Severance Contracts for:
 - Designated executives under the Reform of Agencies, Boards, and Commissions Compensation Regulation
 - The Chief Executive Officer of Alberta Health Services
 - The Chief Executive Officer of the Alberta Electric System Operator
 - Designated Executives under the Reform of Agencies, Boards, and Commissions (Post-Secondary Institutions) Compensation Regulation

In preparing this proposal AUPE reviewed legislation and policies from Ontario, Québec, Nova Scotia, Manitoba, British Columbia, and Saskatchewan. We propose that the objectives of transparency and accountability must be balanced with ensuring personal privacy. With this in mind, AUPE makes the following recommendations:

1. In order to weigh public interest with the sensitive nature of disclosing personal information, and in order to best mitigate any potential harms that could occur from having an individual's name associated with compensation (referring specifically to harms that fall outside of immediate danger) AUPE recommends that individual's names be withheld from disclosure. We recommend that the Government of Alberta refer to the model utilized by McGill University, where individual's names are withheld but job classification and/or title are provided.

AUPE recognizes that currently individuals may apply to have themselves exempt from disclosure; however, we consider it crucial to personal privacy and to individuals comfort that rather than an individual's name be cited, that job title and/or job classification be provided. Applying for exemption for disclosure can be exceptionally time consuming and the limits for exemptions are strict. Personal privacy must be balanced with what is in the public interest, and we believe that this recommendation weights these two values equally.

2. In light of recommendation 1, AUPE recommends that in the public report each entry will represent one individual, but each entry will be identified through job title and/or classification rather than personal names. We recommend that this approach be taken rather than only providing job classification and a salary band. We also recommend that this be organized by Ministry and by department.

¹ This information is based on what is made publicly available through: <https://www.alberta.ca/public-sector-body-compensation-disclosure.aspx>

3. AUPE recommends that the Government of Alberta become a leader in compensation disclosure legislation by amending The Act to build on the existing requirements by providing the following additional information as separate columns for each individual entry:
 - a. Job title and/or classification
 - b. Number of individuals within a job title and/or classification
 - c. Public Sector Body
 - d. Union status and union affiliation, including any affiliation with academic associations
 - e. Base salary
 - f. Total compensation
 - g. The previous two years of total compensation
 - h. Overtime payments
 - i. Total taxable benefits
 - j. Non monetary benefits including the employers portion of pension contributions, employment insurance, CPP, and Worker's Compensation Board Premiums
 - k. Honoraria paid to board members
 - l. Bonuses
 - m. Payments for memberships in recreational clubs or organizations
 - n. Payments made for exceptional benefits not provided to the majority of employees
 - o. The value of the benefit derived from living accommodation provided or any subsidy with respect to living arrangement
 - p. Severance Reflects the amounts paid or payable related to termination of employment, including retiring allowance
4. AUPE recommends that with regards to the above information, that at a minimum the base salary should be reported separately (in a different column) than overtime pay, and both of these should be separated into a separate column than total compensation. Further, at a minimum total compensation should be reported in a separate column than the previous years total compensation, which would be in a separate column than the previous year to that. Meaning that for the two prior years compensation reported should not be averaged, and there should be three columns that report total compensation. AUPE feels that this would not only be in the public interest but would also increase the accessibility of this information for everyday Albertans, and it would increase the transparency of public sector compensation.
5. AUPE recommends that rather than only designated executives for post-secondary institutions be reported, that all individuals in the post-secondary sector who meet the fiscal threshold must have their compensation information disclosed.



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