

**In the Matter of an Adjudication Concerning Market Supplement Wage Rates  
for the following classifications:**

- **Perfusionist**
- **Respiratory Therapist**
- **Public Health Inspector**
- **Ph.D. Psychologist**

**Between:**

**Health Sciences Association of Saskatchewan**

**- and -**

**Saskatchewan Association of Health Organizations**

**Before:**

**Beth Bilson, Q.C., Adjudicator**

**Present:**

**For HSAS: Kevin Glass  
Roger Piatt (Public Health Inspectors)  
Warren Chykowski (Respiratory Therapists)  
Mark Rosin (Perfusionists)**

**For SAHO: Kevin Zimmerman  
Ian Billett**

**Hearing Date:**

**April 11, 2006**

## **Decision of Adjudicator**

This is a decision concerning market supplement wage rates for employees in the Perfusionist, Respiratory Therapist, Public Health Inspector and Ph.D. Psychologist classifications represented by the Health Sciences Association of Saskatchewan (HSAS). The employers of these employees are represented for the purposes of collective bargaining by the Saskatchewan Association of Health Organizations (SAHO).

The collective agreement between SAHO and HSAS covering the period from April 1, 2004 to March 31, 2007, which was concluded in October of 2005, contains two Letters of Understanding outlining the features of the Provincial Market Supplement Program. The agreement between the parties reflected in these Letters of Understanding provides my authority for undertaking this adjudication.

The Market Supplement Program was originally instituted as part of the resolution of the round of collective bargaining in 2002. All four of these classifications were awarded a market supplement in 2002. These market supplements have been reviewed by a Market Supplement Review Committee (MSRC) on an annual basis, most recently in October and December of 2005. At that time, the MSRC recommended that, for the classifications of Perfusionist, Respiratory Therapist and Public Health Inspector, market supplements should be retained at their existing level. In the case of Ph.D. Psychologists, the base rate of pay had overtaken the market supplemented wage rate; the recommendation of the MSRC was that no market supplement be given at this time.

As permitted in the Letters of Understanding, HSAS has challenged the findings of the MSRC, and has invoked this adjudication procedure. The issue for this adjudication is whether an additional market supplement would be warranted for the Perfusionist, Respiratory Therapist and Public Health Inspector classifications, and whether a market supplement should be given for the Ph.D. Psychologist classification.

HSAS argued in relation to all four classifications that there remain serious issues of recruitment and retention that should be addressed by an additional level of market supplement.

SAHO, on the other hand, argued that the indicators with respect to these recruitment and retention issues showed that existing or previous (in the case of the Ph.D. Psychologist classification) market supplements had had the effect of ameliorating the problems faced by employers. SAHO also pointed to the fact that the collective agreement concluded in October, 2005, would have the effect, as of April, 2006, of giving to the employees in these classifications economic increases of between 6 and 8 per cent; counsel argued that the potential effect of this on the recruitment and retention picture could not yet be assessed. He also noted that, as a result of the last round of collective bargaining, the wage structure had been changed so that employees in classifications receiving market supplements could expect to receive any general economic increases, rather than having

to wait for the base rates to catch up with their market supplemented rates before an economic increase would be added.

The Letters of Understanding setting out the parameters of the Market Supplement Program indicate that the factors that are to be considered by an MSRC and in the context of an adjudication are service delivery impacts, turnover rates, vacancy rate analysis, recruitment issue analysis and salary market conditions. Limiting the process in this way makes it clear that other issues, such as staffing levels and workload, are not factors to be given weight, even though they are closely related to the factors listed in the Letters of Understanding.

These limitations also make it clear that the review and adjudication process under the Letters of Understanding is not about calculating the value of these employees or the work that they do. Clearly the employees in all of the classifications under discussion here are highly qualified, perform demanding work, and play a critical role in the health care system. This process is not, however, focused on these considerations, but on specific recruitment and retention difficulties for which the mechanism of market supplements may provide a partial resolution.

As I have commented before in this connection, it is difficult to assess the role market supplements may play in providing an incentive to employees to take a job or remain in it, and it is even more difficult to evaluate what level of market supplement would be most effective at meeting this objective. At this adjudication, representatives of both parties commented that the Market Supplement Program seemed to have had some positive effect on recruitment and retention in these and other classifications, though they differed, of course, on whether that effect had been sufficient.

The main source of information about the factors listed as relevant in the Letters of Understanding is the reports of the MSRC. As both parties pointed out, this information is solicited from the health regions, and – as the four reports relating to these classifications demonstrate – the information is incomplete, as not all health regions supply information or supply information on all dimensions.

It was pointed out by HSAS that another problem with the information in the reports is that it is a snapshot of recruitment and retention issues at a particular point, and it cannot convey the dynamics of the hiring, departure and replacement of employees as it actually occurs over time. In any case, by the time an adjudication such as this one takes place, the snapshot may no longer represent the current status of the employees.

Both parties, and particularly HSAS, provided some additional information both about developments since the reports were issued in late 2005, and about other matters, such as comparisons outside the public health care system, which were not considered in those reports. This information is also somewhat problematic because it is anecdotal and difficult to compare with the information in the reports, but it does augment the data in the MSRC reports.

## **Perfusionist**

The MSRC report relating to the Perfusionist classification issued in October, 2005, recommended that the current market supplement rate be retained.

The information contained in that report indicates that there are no vacant positions in this classification. HSAS suggested that there had been more turnover in these positions than shown in the MSRC report, but acknowledged that there were no vacant positions at that time.

The figures in the report indicate that, including the existing market supplement, the wage rate for Perfusionists in Saskatchewan is lower than in the other western provinces. The April 1, 2006 economic increase into account will not put the employees in this classification ahead of any of their counterparts in western Canada.

The parties were in agreement that it is difficult to recruit Perfusionists and that this is a national, or even international, phenomenon.

Whatever difficulties there may be in this respect, however, they do not seem to have translated into higher vacancy rates. There have been no vacancies in this classification for several years, and the comparatively lower wage rates do not seem to have affected this. It is possible that these comparisons might eventually have some adverse impact from the point of view of recruitment and retention; on the other hand, employees in this classification will, as of April of this year, be enjoying the effect of a wage increase of 6 to 8 per cent over a fairly short period, and it is difficult to assess the effect that this increase might have.

I have concluded that there are no grounds for overturning the recommendation of the MSRC that the market supplement be retained at its current level.

## **Respiratory Therapist**

The report of the MSRC relating to this classification issued on October 16, 2005 recommended that the current level of market supplement be maintained.

HSAS referred me to an arbitration award in the case of *Regina Qu'Appelle Health Region and Health Sciences Association of Saskatchewan*, unreported, December 5, 2005 (Ish), which dealt with the payment of overtime for weekend work. The focus of this decision was largely on issues of workload and working conditions, and it conveys a picture of a committed group of employees whose willingness to work regular overtime hours is heavily relied on by their employer.

As I commented earlier, these issues of workload and working conditions are not factors to be considered according to the Letters of Understanding, although it is possible that they may have an indirect effect on vacancies and turnover. Mr. Glass pointed, however, to the observations made by the employer representative in evidence given before the

arbitrator in that case; the witness testified that “at virtually no time has there been a full complement of Respiratory Therapist staff at the Regina General Hospital,” and spoke of the difficulties associated with recruiting employees in this classification.

Putting these comments into the framework provided by the MSRC report, the observations of the witness concerning the Regina Qu’Appelle Health Region seem to be borne out; with one exception, all of the reported vacancies in this classification were in that region. Whatever the reasons for these vacancies, they do not seem to be part of a general pattern.

In its Annual Report for 2004, the Saskatoon Health Region mentioned a turnover rate for Respiratory Therapists of 24.3% or 9 of 37 employees in this classification. This seems inconsistent with the figures used in the MSRC report, and the suggestion was made at the hearing that the figures in the Saskatoon report included casual employees, who were not reported on for the MSRC review.

The MSRC report showed that, including the economic increase coming into effect on April 1, 2005, the wage rate for Respiratory Therapists in Saskatchewan was somewhat lower than that in the other western provinces. The economic increase added on April 1, 2006, however, might change this somewhat, though it is possible that there would also be corresponding increases in other provinces.

There seems to have been a fairly regular turnover rate in this classification. Despite this, however, and despite the references in the Ish arbitration award, the Saskatoon Health Region report and the MSRC report to the challenges of recruiting qualified Respiratory Therapists, the vacancy rate remains low; this suggests that employers have been able to overcome the obstacles to recruitment and retention fairly well.

I have concluded that there is no justification for overturning the recommendation of the MSRC that the current level of market supplement be retained.

### **Public Health Inspector**

The MSRC reported on this classification on December 19, 2005, and recommended that the existing market supplement be retained at its current level.

The figures in the report indicate an overall vacancy rate in eleven reporting health regions of 16.4%. This includes the figures returned from the Mamawetan Churchill River Health Region in northern Saskatchewan; in that area, the difficulties of finding and retaining employees in this classification were recognized as being acute enough by both parties that a special agreement was concluded to provide Public Health Inspectors in that region with an additional salary bonus.

The MSRC report noted that the workload for these employees had increased to some extent because of additional duties related to tobacco control, water quality and infectious diseases. Though these workload issues are not directly pertinent to the assessment of

recruitment and retention issues that are the focus of this adjudication, HSAS argued that they are symptoms of a heightened public sensitivity concerning public health issues, and that the increased demand for these employees that is the result does create recruitment and retention problems.

There is some support for this argument in the fact that the MSRC report shows that vacancy rates in this classification have increased steadily over the past several years, from 8.9% of full-time positions in 2002 to 16.4% in 2005.

HSAS provided some information about wage comparisons for Public Health Inspectors employed in the federal public sector and by Aboriginal agencies. It is difficult to compare these rates with the wage rates for provincial health care systems given in the MSRC report, as it is not clear what proportion of the total compensation is represented by the rates. Nonetheless, this information is of some use in showing the kind of outside competition faced by the provincial health care system in relation to this classification of employees.

It is true that, like the employees in the other three classifications, the Public Health Inspectors will benefit from the economic increases in the recent collective agreement, and that this may ameliorate the recruitment and retention pressures for the classification to some extent. On the other hand, the existing level of market supplement does not seem to have prevented an increase in the vacancy rate.

I have concluded that an additional market supplement is warranted to address the recruitment and retention issues associated with the Public Health Inspector classification.

#### **Ph.D. Psychologist**

The circumstances relating to the Ph.D. Psychologist classification are somewhat different than those of the other three classifications. In 2004, the base wage rate overtook the market supplemented wage rate according to the system then in place. The question for this classification is therefore whether a new market supplement should be instituted.

The MSRC, which reported on this classification on December 19, 2005, recommended that no market supplement be put in place.

It is clear from the figures cited in that report that the recruitment and retention picture for this classification has improved somewhat over the last few years, in the sense that there has been a decrease in vacancy rates, and in the turnover numbers. It is, of course, difficult to estimate what part has been played in these changes by economic increases and the earlier market supplement.

In the adjudication decision which fixed the earlier market supplement in July of 2003, I observed that the parties were in agreement that the primary lure for employees in this

classification came from private practice, not from competing provincial health care systems. At the recent adjudication hearing, HSAS provided some information suggesting that the incentives offered by private practice have become even stronger because of the practice of some organizations hiring private practitioners of underwriting overhead such as office space.

Counsel for SAHO conceded that there continues to be a relatively high vacancy rate in this classification. He said, however, that the indications from employers are that the explanation for this is no longer a general shortage of Ph.D.-prepared psychologists, but the difficulty of attracting psychologists specializing in particular areas. He argued that this specific difficulty cannot be overcome by adding a general market supplement.

It seems reasonable to suppose that there is some variation in the competitive pressures relating to different specialties within this classification. On the other hand, it is not open to the employers to give wage incentives targeted to those specific specialties, though there may be other recruitment initiatives that could be devised.

The picture with respect to recruitment and retention for this classification is not a clear one. The vacancy rate is still relatively high, and this may be an indicator that there are still significant challenges for recruitment and retention. On the other hand, both vacancies and turnover rates have been going down, possibly in response to the earlier market supplement. It is too early to say what impact the further economic increases resulting from the recent collective agreement will have on recruitment and retention in this classification.

On balance, I am of the view that the existing wage levels seem to have had a positive effect in decreasing the vacancy levels in this classification. As I have noted, it is still too soon to assess whether the new wage levels resulting from the collective agreement will provide sufficient additional incentives to maintain this trend. In any case, the market supplement issue can be revisited by the end of this year, and these issues can be reviewed at that time. I am therefore prepared to uphold the recommendation of the MSRC that no market supplement be instituted.

DATED at Saskatoon the 3d day of May, 2006.

---

Beth Bilson

