

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

- **Public Health Inspector**

Between:

Health Sciences Association of Saskatchewan

- and -

Saskatchewan Association of Health Organizations

Before: Beth Bilson, Q.C., Adjudicator

**Present: For HSAS: Kevin Glass
Travis Philipation, Public Health Inspector**

**For SAHO: Ian Billett
Terry Kuyeko**

Hearing Date: November 24, 2006

Decision of Adjudicator

This is a decision concerning market supplement wage rates for employees in the Public Health Inspector (PHI) classification represented by the Health Sciences Association of Saskatchewan (HSAS). The employers of these employees are represented for the purpose 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 a round of collective bargaining in 2002. The PHI classification was awarded a market supplement in 2002. The market supplements have been reviewed by a Market Supplement Review Committee (MSRC) on an annual basis, most recently in December of 2005. At that time, the MSRC recommended that no additional market supplement be awarded for this classification.

In a decision dated May 3, 2006, I concluded that an additional market supplement should be awarded. The parties have been unable to reach agreement on the amount of such a supplement, and this decision addresses their additional submissions to me on this issue.

Mr. Glass presented information showing that the recruitment and retention of public health inspectors is an issue facing employers in health care across the country, not just in Saskatchewan. He referred me, for example, to the *Annual Report of the Auditor General of Alberta 2005-2006*, which identified a need to recruit an additional thirty-five inspectors in Alberta to meet the needs set out in the report. Mr. Glass also alluded to a CBC news story quoting a government official in Manitoba as expressing concern about possible emergencies which might arise because of insufficient numbers of inspectors in that province. He suggested that there is no coincidence in the fact that these fears are being expressed in a province where inspectors have lower wages than elsewhere in western Canada.

Mr. Glass outlined the agreement reached between HSAS and SAHO aimed at ameliorating recruitment and retention problems in this classification for the Mamawetin Churchill River Health Region. The Memorandum of Understanding between the parties contemplated that an additional amount of approximately \$12,000 per year would be added to the salaries of PHI employees in that region. Mr. Glass stated his understanding that the additional salary has had a positive impact on the situation in Mamawetin Churchill River.

Mr. Glass and Mr. Philipation both said that federal government agencies and tribal councils are important competitors to Saskatchewan health regions of employees in this classification. Mr. Philipation, who has worked in the federal sector, said that he is aware of employees who have left the provincial health care sector for federal government work.

Mr. Glass argued that the figures proposed by HSAS as the amount of the market supplement are meant to send a strong signal to employees in the PHI classification that their recruitment and retention issues are receiving attention, and to ensure that employment in the provincial health care sector in Saskatchewan remains attractive for them.

Mr. Billett reviewed the information contained in the MSRC report of December 2005 concerning the five criteria guiding the award of market supplements: service delivery impacts, vacancy rate analysis, turnover rates, recruitment issue analysis and salary market conditions. He pointed out that the number of positions in this classification has remained more or less stable since 2002, which makes it possible to make meaningful comparisons in the data over time.

He stated that he had obtained additional information from the employers whose reports were included in the MSRC report, and was able to augment the information contained there. He pointed out that, though some employees in this classification had left the Saskatchewan health care sector, the reasons identified for this were not always connected with salary. He also noted that a number of employees listed in the turnover rate analysis had moved from one health region to another within Saskatchewan.

He conceded that there is a variation in wages from one province to another, but noted that any wage comparisons of this kind are difficult because of different ways of calculating wages and incorporating market supplements, and because of the different times at which economic increases take effect.

Mr. Billett presented a table showing the vacancy rates for this classification as of November 14, 2006, covering the same group of health regions whose data on this point was used in the MSRC report in December 2005. He said that this information shows an encouraging drop in the vacancy rate since the data were analyzed in December. He indicated that the average vacancy rate over the past several years was approximately 11.8%, rising to 16.4% for the period covered by the MSRC report. The information obtained just prior to this hearing shows that the overall vacancy rate is now 5.6% He noted that the table shows no vacancies for Saskatoon or Regina-Qu'Appelle, the two largest health regions.

He alluded to the steps recently taken to address the difficulties with recruitment and retention in the Mamawetin Churchill River region, and also to the efforts of the Heartland Health Region to resolve chronic difficulties there.

Mr. Billett said that in the proposal presented by SAHO for an additional market supplement is aimed at maintaining a competitive position for Saskatchewan health care employers, and not to outdo provinces like Alberta which are consistently at the top of the wage table.

As the parties acknowledge, and as I have commented before, it is difficult to ascertain with any precision what the effect of a particular level of market supplement will be on recruitment and retention issues. Though the parties presumably agreed to put the Market Supplement Program in place on the assumption that wage increases targeted at particular classifications would be helpful in inducing employees to take up employment with Saskatchewan health care employers or to remain in that employment, it is clear that this program is just one among a number of strategies adopted by the parties, and by employers in particular, to make employment in Saskatchewan health regions attractive and rewarding.

It is also clear that many of the specific matters which lead employees to communicate their dissatisfaction to HSAS fall outside the range of issues which a market supplement program can hope to address, and involve things like staffing levels, workloads and budgetary decisions.

In my decision of May 2006 addressing the position of this classification, it is clear that the anomalous vacancy rate for PHI employees was a strong factor in leading me to the conclusion that an additional market supplement was necessary to attract and retain inspectors to the health care sector in Saskatchewan. The most serious concerns of employers concerning service delivery were also articulated in terms of the vacancy rate.

Though it would be difficult to guess what all of the reasons might be for the change, the information gathered about vacancy rates just prior to the November 24 hearing shows that there has been a significant general reduction in the vacancy rate, although there admittedly continue to be localized issues for some health regions.

The parties are in agreement that the additional market supplement would be retroactive to December 19, 2005, and their respective proposals are designed to show the effect this would have based on the market supplemented wage rate with the economic increase of April 1, 2005 added. They also helpfully provided calculations of the effect that the economic increase effective April 1, 2006, would have on the rates. Both proposals were based on the top step of the basic degree rates.

HSAS calculated its proposal on the basis of an 11.5% increase over the market supplemented rate in place as of April 1, 2005. The SAHO proposal represented an increase of 6.59% over the same rate. In both cases the other rates on the grid would be changed in a parallel way.

It is difficult, as the parties acknowledge, to develop a completely accurate picture of the competitive environment for employers in relation to the classifications of employees represented by HSAS. It is clear that there are ongoing challenges with recruitment and

retention for many of these classifications, and this is presumably what lay behind the decision of the parties to put in place an option for annual review of market supplements. In this particular classification, the records for the last several years show that a number of health regions were having some trouble keeping PHI positions filled, and the information given at the hearing by HSAS suggests that this is not unique to this province.

On the other hand, for reasons which probably cannot be entirely identified, but among which one assumes that regular and meaningful economic increases played a part, the current vacancy rates in this classification are much more positive than they were. This is particularly the case if one takes into account the peculiar difficulties in northern Saskatchewan, which the parties have chosen to address by a separate strategy.

Though the increase proposed by SAHO of 6.59% over the market supplemented rates of pay at December 2005 is not as strong a “message” as the proposal of HSAS would send, it does represent a significant increase, and one which may well reinforce the trend indicated in the latest vacancy figures. Other options, including alternative employer strategies, and new rounds of collective bargaining or annual reviews under the Market Supplement Program itself, are available as means for continued assessment of recruitment and retention problems for this classification.

I have therefore concluded that the SAHO proposal for the quantum of the additional market supplement should be accepted.

DATED at Saskatoon, Saskatchewan, the 14th day of December, 2006.

Beth Bilson, Q.C.