

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

- **Perfusionists**

Between:

Health Sciences Association of Saskatchewan

-and-

Saskatchewan Association of Health Organizations

Before: Beth Bilson, Adjudicator

**Appearances: For HSAS: Kevin Glass
 Jo-Anne Marcoux (Perfusionists)**

**For SAHO: Ian Billett
 Garth Dobson**

Date of Hearing: December 14, 2010

Decision of Adjudicator

The Health Sciences Association of Saskatchewan (HSAS) and the Saskatchewan Association of Health Organizations (SAHO) are parties to the collective agreement which governs the terms and conditions of employees of a number of classifications of health care employees. Appended to the collective agreement whose term began on April 1, 2007, and which expired on March 31, 2009, are two Letters of Understanding (LOUs) outlining a process for considering and establishing market supplements for these classifications. My authority and function as an adjudicator is set out in those Letters of Understanding.

The LOUs provide for an annual review by a provincial Market Supplement Review Committee (MSRC) of market supplemented wage rates in the classifications represented by HSAS. In a report dated July 5, 2010, the MSRC recommended that the market supplement for the Perfusionist classification be increased. The parties subsequently attempted to fix the amount of such an increase, but were unable to achieve agreement. They referred the issue to adjudication, and I am now required to choose one of the final offer proposals made by the parties.

The LOUs set out the factors to be considered by an adjudicator in reviewing the market supplemented wage rates. In their written submissions, both parties reminded me that the agreement stipulates that these are the only factors to be considered in reaching my decision:

- Service delivery impacts – service delivery impacts are analyzed, including options for alternative service delivery models.
- Turnover rates – an annual turnover (loss of employees to other competitor employers) ratio to the existing staff complement in any given occupation. Local analysis of reasons for leaving will be necessary to determine any trends that may be emerging.
- Vacancy rate analysis – whereby the frequency and timing of vacancy occurrences (i.e. seasonal; always following an event; etc.) are analyzed for trends that may affect recruitment/retention efforts.
- Recruitment issue analysis – whereby issues such as length of recruitment times, training investments, licensing issues, supply and demand issues, etc. are analyzed for trends which may affect recruitment/retention efforts.
- Salary market conditions – affected employer's salary levels are lower than other employers that affected employer would expect to recruit employees from, or other employers that affected employees are recruited to. This may be local, provincial, regional or national depending on the occupational group and traditional recruitment relationships. Cost of living considerations may or may not be appropriate to factor into market salary comparisons.

The MSRC considered these same factors in deciding to recommend an increase in the market supplement.

As the report of the MSRC and the submissions of the parties pointed out, Perfusionists are essential members of the operating room team in cardiac and some other surgeries, and many surgeries cannot be performed without them. Employees in this classification are only employed in two of the health regions, Saskatoon and Regina Qu'Appelle, and there are currently a total of nine budgeted positions in the province. There is one vacant position in Saskatoon, and the MSRC report describes some of the efforts made by the employer to recruit for this position. The choices of employers as to the number of positions they create in a classification are not a factor I am permitted to consider under the LOUs; on the other hand, the difficulties in recruiting or retaining employees reported by employers are a relevant consideration, and part of the purpose the parties had in mind in establishing the market supplement program was to address just such difficulties.

Jo-Anne Marcoux, an employee in this classification, stated that the limited number of Perfusionists results in considerable stress for these employees. There are significant demands on them in terms of being on call and working overtime, and in Saskatoon these issues have been exacerbated by the failure to recruit into the vacant position. These observations are confirmed to some extent in the discussion of service delivery impact in the MSRC report; the MSRC noted that the Saskatoon region had been experiencing “significant service delivery impacts” because of vacancies during the review period. Though the effect of a single vacancy is, of course, exaggerated in a classification with such small numbers of employees, one must take seriously the comments in the MSRC report concerning the difficulties in recruiting into these critical positions. The report noted that the supply of Perfusionists across North America is “minimal” and that there would be no new graduates of Canadian training programs until the end of 2010.

The MSRC report examined the salaries in this classification in other western Canadian provinces, finding that, though the Perfusionist rates in Saskatchewan were higher than those in Manitoba, they were at the time of the report lower than those in British Columbia and Alberta by a fairly significant amount – a difference of around \$13 per hour at the top step in the case of Alberta, and approximately \$5.50 per hour at the top step in the case of British Columbia.

HSAS argued that the relevant market might be broader than western Canada, as the MSRC report indicated that recruitment efforts in Saskatoon have been international in scope. In their written submissions, however, HSAS noted specifically the Alberta and British Columbia comparisons.

SAHO argued that western Canada is the most relevant market, and pointed to some of the difficulties in making these salary comparisons. The wage grids are somewhat different with respect to progression to the maximum rate. Wage levels are always in any case something of a moving target, as the timetable for renegotiating them varies from province to province. This is particularly true at the moment, as agreements are open in British Columbia, Manitoba and Saskatchewan, and it is not clear what economic increases will result from collective bargaining. SAHO said that the information they provided me to show how their proposal would compare with western Canadian rates was based on some assumptions about the outcome of collective bargaining in British Columbia and Manitoba. On the basis of these assumptions, they indicated that their proposal would be 101% of the western Canadian average at the top step of the wage grid for the classification.

The proposals of the parties were relatively close, and it is perhaps surprising that they were unable to reach agreement on what the market supplemented rate should be. The proposals for a new wage grid (in hourly rates) were as follows:

	Step 1	Step 2	Step 3	Step 4	Step 5
HSAS	\$36.903	\$38.378	\$39.914	\$41.512	\$44.998
SAHO	\$36.356	\$37.809	\$39.322	\$40.896	\$44.330

HSAS argued that it is not appropriate in this adjudication to attempt to second guess the bargaining process, and to speculate about what the outcome of negotiations here and elsewhere might be. The market supplement review process, including the adjudication stage, should be focused on finding the level of market supplement that will address recruitment and retention issues in these classifications.

It is true that the process outlined in the LOUs is designed to isolate as much as possible the considerations affecting the search for a useful level of market supplement from other the other elements that go into the overall compensation package and working environment for the employees represented by HSAS. I have remarked in other decisions as well as earlier in this one that, for example, questions of

staffing levels and workload are not directly in my purview, although these considerations probably have an effect on the sentiments of current and potential employees about the desirability of the job. Similarly, it is strictly speaking true, as HSAS argued, that an appropriate level of market supplement must be considered independently of the collective bargaining process.

On the other hand, the premise of the market supplement program is that the level of wages attached to a job will play at least some role in attracting employees to positions or in inducing them to remain in them, and to the extent this is true, increases in the general wage level achieved at the bargaining table can also be expected to play this role. Though it is uncertain what the final outcome of negotiations will be, it can be anticipated that there will be at least a modest economic increase as part of the final settlement, and such a general increase will form part of the package that will be assessed by employees in making their decisions as to whether to accept or remain in a position.

The parties have agreed that the new market supplemented rate would be effective as of July 2010. This rate would be open to review in July 2011, which provides an opportunity in the near future for the adequacy of the new market supplement to be assessed.

I am persuaded that the proposal put forward by SAHO would be an adequate step to addressing the concerns enumerated in the MSRC report at this stage. It represents a significant gesture towards meeting the challenges presented by wage levels in western Canadian jurisdictions. I therefore select that proposal as setting the new market supplemented wage rate for the Perfusionist classification.

DATED at Saskatoon the 21st day of December, 2010.

Beth Bilson