

PROVINCIAL MARKET SUPPLEMENT PROGRAM

**Report of the Market Supplement Review
Committee**

PHARMACIST

March 26, 2002

OBJECTIVE

The objective of the Provincial Market Supplement Program is to ensure that Saskatchewan health care employers can attract and retain the employees required to provide appropriate health care services to the people of Saskatchewan.

This program is designed to address specific skill shortages by use of a temporary market supplement to attract and/or retain qualified employees. The program is designed to ensure that temporary market supplements respond to valid labour market criteria to address recruitment/retention pressures.

A temporary market supplement will be an acceptable option only if:

- a) workplace initiatives have not addressed the skill shortage;
- b) labour market data supports a supplement; and,
- c) recruitment/retention is a problem, is affecting service delivery and is well documented.

This report deals with the Market Supplement Review Committee's analysis of the recruitment/retention pressures facing employers with respect to Pharmacists.

OVERVIEW

The Market Supplement Review Committee met on February 28, 2002 at which time they reviewed documentation included in the request for consideration of a market supplement for Pharmacists. Sixteen (16) employers (see Appendix A) were identified as employing Pharmacists, all of which contributed information to the analysis.

Districts	Number of Budgeted Positions		Number of Vacant Budgeted Positions		% Vacancy	
	F/T	P/T	F/T	P/T	F/T	P/T
Swift Current	2	.5				
Assiniboine Valley	1					
Battlefords	3.5		1		28%	
North Central	2	.64	No vacancies			
Pipestone	2	0				
Greenhead		1				
Central Plains		1				
Lloydminster	1		1		100%	
South Central		1		1		100%
North East		1		1		100%
Prince Albert	3	4	No vacancies			
East Central	3	1.5				
Moose Jaw Thunder Creek	3.5	.6	No vacancies			
Regina						
- Staff Pharmacist	21	11	4		19%	
- Senior Pharmacist	6	1	1		16%	
Prairie West		1	No vacancies			
Saskatoon						
- Staff Pharmacist	33	15	4		12%	
- Senior Pharmacist	3		1		33%	
TOTAL	84	39.24	12	2	14%	5%

OVERVIEW (Cont'd)

Definition as per Canadian Pharmaceutical Association: Many Canadian pharmacists are employed in hospitals and related health institutions. Their role is critical to ensuring that patients in hospitals, frequently on complicated and potentially toxic medications, receive safe and effective therapy. This practice area offers opportunities to interact with other health professionals, the potential for significant intervention in patient care and the chance to be involved in research and education. Pharmacists who work in hospitals are effective members of the health care team and are actively involved in upgrading their education and knowledge base. Many of them specialize in fields such as oncology, infectious disease, psychiatry, etc.

There are 84 full-time and 39.24 part-time Pharmacist positions reported in Saskatchewan. Of those positions, vacancies are currently at 12 (14%) full-time and 2 (5%) part-time.

According to the Saskatchewan Pharmaceutical Association, there are 1108 Pharmacists registered in Saskatchewan. 14.1% of Pharmacists are in a “hospital practice”, 77% are in “community practice” and 8.9% are in an “other practice”. (At the Regina Health District, 50% of current Pharmacists also work in the retail sector.)

Two Districts reported that they sponsor a Pharmacy residency program.

One Employer stated that there are 22,000 vacancies in North America and the Canadian Association of Chain Drug Stores (CACDS) estimates there are over 2,000 vacancies nationally. Recently, the United States has been aggressively recruiting Pharmacists. The marketplace for recruitment of Pharmacists is an international marketplace with demand in the retail sector on the rise.

Currently, the University of Saskatchewan has the only provincial training program in Saskatchewan. There are 77 baccalaureate students in 4th year in the 2001-2002 year and there are 22 in graduate programs. Total enrollment is 303 baccalaureate students in 2001-2002.

Saskatchewan wages for Pharmacists are behind jurisdictions competing for Pharmacists (see Appendix B, C and D). Of note is that (effective April 1, 2000 through to March 31, 2002) a 1% market supplement has been negotiated between the Parties for Pharmacists in Alberta.

In May, 2001, the Canadian Pharmacists Association (CPA) initiated a study regarding HR issues in the Pharmacy profession in Canada. Key points of their study include:

- Over the last decade there has been a significant increase in the number of pharmacies included in department and grocery store formats.
- To answer the question “how severe is the shortage”, the report refers to two studies - a study conducted by the Canadian Association of Chain Drug Stores (CACDS) and an Eli Lilly Survey of Hospital Pharmacy in Canada.
 - “Combining information from hospital and chain drug store vacancy surveys suggest that roughly 10% of full or part-time pharmacist positions in Canada were vacant in the year 2000”. Based on the latter’s survey, it is estimated that a total of 300 vacancies in hospital pharmacist positions among Canada’s more than 600 hospitals. CACDS estimates that Canada is short 2,000 Pharmacists and western Canada is short over 800 Pharmacists.
- The CACDS Study estimates that the current supply of pharmacists provides for a 2% increase in the size of the workforce in each province each year. The report indicates that this is not high enough to meet demands due to increased need and retirements.
- The CPA report cites that despite the difficult environment, that patients and clients do not appear to be bearing the brunt of problems due to the current excess demand for pharmacists.
- The CPA report also indicates that a comprehensive objective analysis of current and future human resource issues in pharmacy practice is not available.

ANALYSIS

The MSRC discussed the Labour Market Criteria as required by the Provincial Market Supplement Program framework.

SERVICE DELIVERY IMPACTS: *(Employers were asked to provide information that addresses current service delivery impacts resulting from staff shortages, potential staff short term service delivery impacts, potential long term service delivery impacts and options for alternative service delivery models).*

Eight employers who reported either did not comment regarding this section, or reported that they have had no negative impact to Pharmacy service delivery.

Service impacts as reported by the other eight employers include:

Reduced clinical services. Some employers reported that in the short term such services as drug monitoring, patient teaching, staff teaching could not be provided while other Districts reported that pharmacokinetics, chemotherapy /oncology/palliative care programs, mental health consultation service, and home IV would not. Other respondents indicated that they have already cancelled asthma and CF clinics; pharmacy support for NICU is on hold; and pharmacy support for hemodialysis services was cancelled for two months in the summer.

- In addition, two major employers are planning reductions in the “hours of operation” of their respective pharmacy departments. Hours will be cut back more than 2 hours per day which, in turn, will result in added workload for nursing staff and physicians. Reasons for reduced hours of operation are lack of staff due to turnover.

Reduced time to manage pharmacy program. Three employers referenced that there would be less management time, less education provided, reduced drug use management activities and that investigative studies would not be implemented.

Employers pointed out that there have already been **reduced hours of pharmacy services**. One employer indicated that there would be **no expansion of services into (new) desired areas including service to other Districts**.

High orientation/training need for new grads or community experienced pharmacists. One employer indicated that it requires 9 weeks of orientation for new hires and estimate that new grads/community experienced pharmacists require 1 year to be fully competent on their own. A second employer indicated that it requires 2 years to be fully competent.

One Employer noted that with only one pharmacist in the District (and no relief coverage) they are not able to grant Pharmacists a leave for professional education applicable credits for ongoing licensing.

TURNOVER RATES: *(Employers were asked to provide local analysis of reasons for leaving and trends that may be emerging. They were also asked to provide annual turnover {loss of employees to other competitor employers} ratio to the existing staff complement {budgeted positions} in the given occupation.).*

There are 84 full-time and 39.24 part-time Pharmacist positions reported in Saskatchewan’s health Districts. Of those positions, vacancies are currently at 12 full-time and 2 part-time.

Twelve of sixteen employers who report having Pharmacists, indicated that turnover is zero or minimal for permanent positions.

Two employers report that turnover is a current concern. One has their only in-scope full-time Pharmacist position vacant (since July 2001). The other employer has one of two full-time positions vacant (since May 2001) and their only part-time Pharmacist position vacant. This employer's experience has been that generally where full-time positions were posted, vacancies were filled.

The majority of employers noted that relief and/or temporary positions (such as those created through maternity leaves) are difficult or impossible to fill. It was further noted that employees returning from maternity leave often request reduced and/or flexible hours. If such accommodation is provided, the result creates other vacancies.

Two other employers report turnover to be 23% and 13% respectively at the time the input was received. These two employers have some newly approved Pharmacist positions (yet to be filled) which are included in these vacancy numbers. One of these employers has reported having 11 temporary vacancies primarily to cover maternity leaves. These employers did not report the history of vacancies other than to comment on current vacancies.

A number of employers reported having three or fewer Pharmacist positions had no turnover in the last few years. However, it was pointed out that if they were to suffer a vacancy they would not be able to recruit, and therefore, they would have to increase overtime and/or reduce pharmacy services.

VACANCY RATE ANALYSIS: *(Employers were requested to provide information about the frequency and timing of vacancy occurrences {i.e., seasonal vacancies; do the vacancies always follow an event; etc.} and to identify trends that may affect recruitment/retention efforts).*

Four of the sixteen employers, reporting to have Pharmacists, did not provide any information.

Eight of the sixteen employers reported that they had no vacancies. Almost all of these did report however that finding Pharmacists to provide either relief or temporary coverage (mostly for maternity leaves) was difficult.

Two employers reported having greater than 5 vacancies (the actual range was 5 and 7 vacancies respectively). Since their initial submission, one of these employers submitted an analysis of known vacancies upcoming over the next year. Their projections indicate additional vacancies of 4-8 full-time equivalent positions (3 are permanent and the balance are temporary positions). This suggests a vacancy rate of 25-30%. This projection does not take into account other potential resignations due to early retirement or extensions to current leaves.

There were two themes as to why employees left their employment. One reason was spousal relocation and the other was to go to retail for higher wages. However, one employer reported while they had no vacancies, the local retail sector in their area had seven vacancies. Other employers reported that it was fairly common for a Pharmacist to work in both the District and at a retail business. Employers also cited experiences whereby the Pharmacist left them to start their own retail Pharmacy business.

Employers reported that vacancies for temporary positions and relief positions were difficult to fill. In perspective, one employer indicates that their Pharmacy Department's temporary

vacancies have been ongoing for more than three years (i.e. continuous maternity leaves at 12 months each) and another employer indicated that “term positions were almost impossible to fill”. Pharmacists who return from maternity leaves often want reduced hours and are more likely to obtain this from private pharmacies at a higher wage rate.

WORKPLACE INITIATIVES: *(Employers were asked to identify workplace initiatives undertaken to address staff shortages, i.e., workload, job redesign, local joint union/management processes, health & safety, etc.).*

Five employers reported that they did not implement workplace initiatives as retention and recruitment was not an issue to them.

Most employers have offered a form of financial incentive in order to retain Pharmacists. Forms of incentive have included moving current incumbents to the top of the pay grade (six Employers), providing interim wage adjustments of either \$1.25 per hour (two Employers) or \$1.50 (one Employer).

One employer reported having reclassified all Pharmacist positions to Senior Pharmacist classification.

Financial incentives offered to new recruits are not common across all employers. Where offered they include: two employers provide relocation expenses covered of up to \$3,000; two employers offer bursary/stipend to final year students (with a 1 year return for service requirement); and, one employer offers a signing bonus of up to \$5,000 (with a 2 year return for service requirement).

Non-financial incentives include educational support, flexible scheduling, increased use of casuals, work re-design and creating Pharmacy Tech positions to streamline duties and responsibilities.

Only one employer reports that they have converted a part-time position into full-time to make jobs more attractive for recruitment purposes. It was pointed out however, that most retail employers have also expanded hours of work thus rendering this practice less effective as a recruitment tool.

Three employers reported having employment arrangements with local retail outlets. Arrangements can include a formal contract to provide services (for all pharmacy services or for just service to long term care) or sharing a casual Pharmacist thus providing increased Pharmacy hours in the community.

Three employers have created and hired into Pharmacy Technician positions to focus the role of the Pharmacist. Employers have attempted to improve the role and increase the scope of responsibilities of Pharmacists in such areas as clinical counseling, etc.

RECRUITMENT ISSUE ANALYSIS: *(Employers were asked to provide information such as length of recruitment times, training investments, licensing issues, supply and demand issues, etc., as well as information that would identify trends that may affect recruitment and/or retention efforts).*

Nine employers reported having no current recruitment needs.

Three employers report that they have been continuously recruiting to fill a pharmacy vacancy for 7 months, 8 months and 1 year respectively. Reasons mentioned as to why they believe that they are unsuccessful include higher salaries offered by Alberta, USA and private sector employers;

employers paying licensing fees (approximate value \$850); and, the provision of educational allowances.

Employers commented that it is difficult to fill temporary positions such as vacancies for maternity leave coverage.

One employer outlined that the reduced number of applications (up to 1999, 25% of graduates applied for residency, in 2001, <10%) for residency programs is a clear indicator of less interest in working in hospital pharmacy practice. Interviews of 3rd and 4th year students indicated that financial reasons were why the graduates weren't applying for residencies. Approximately half of the students indicated that they could not afford to complete a residency due to their high student loan commitments coupled with the low residency stipend. Half also perceived hospital practice salaries as substantially lower than those in community practice. Of the two residents (out of three positions) in SDH this year, one has committed to a one-year stay while the other is moving out-of-province, stating non-competitive wages and lack of clinical service time as primary factors for leaving.

One employer reports that when applicants are informed of the current salary range, they decline further consideration. This employer states... "in the last two weeks I have offered positions to three pharmacists, all of who declined due to non-competitive salaries. All of them indicated they would have accepted even temporary positions had the salaries been competitive".

Employers have reported that the current supply of graduates of Pharmacy programs in Canada comes nowhere near meeting the demands for Pharmacists.

One employer stated that "we have not lost any employees to retail but retail is our source for recruitment and they are more and more reluctant to leave due to salary differentials".

One employer reported trying to recruit offshore pharmacists but licensing eligibility became an issue.

SALARY MARKET CONDITIONS: *(Employers were asked to identify situations where their salary levels are lower than other employers that they would expect to recruit employees from or other employers that recruit their employees. This may be local, provincial, regional, national or international depending on the occupation group and traditional recruitment relationships. Cost of living considerations may or may not be appropriate to factor into market salary comparisons).*

Six employers either did not respond or they did not report an issue regarding Salary Market Conditions.

Ten employers indicate that the retail sector, and other employers in western Canada (especially Alberta) are our largest competitors regarding salaries. Wages in those jurisdictions far exceed Saskatchewan wages.

Two employers in Saskatchewan currently pay a market supplement of \$1.25 above requirements in the collective bargaining agreement. One employer currently pays a market supplement of \$1.50/hour.

One employer reported having reclassified all Pharmacist positions to Senior Pharmacist classification to enhance recruitment and retention of staff.

In addition to salary, a retail chain offers other perks such as a signing bonus, extra vacation, free 4th and 5th year tuition for a return for service requirement. It has been recently reported that a “box retailer” who is newly entering the Saskatchewan marketplace, is currently offering a signing bonus of \$10,000.

AVAILABILITY OF RESOURCES: *(The magnitude and timing of any market adjustment will be subject to the availability of existing resources. Please make any comments as to the impact of addressing this staff shortage if resources are not available in the short term).*

Eight employers did not answer this section.

One employer indicated that it is difficult to recruit to rural Saskatchewan.

Several employers are fearful of the consequences not being able to offer a competitive wage – there will be too few Pharmacists and increased overtime and service reductions will escalate.

CONCLUSIONS & RECOMMENDATIONS

Having reviewed the employer information and considered all the labour market criteria, as a whole, it is the finding of the Market Supplement Review Committee that:

- A documented staff shortage exists where full-time, part-time and temporary vacancies are not able to be filled.
- Pharmacy service delivery, especially in tertiary care centers, is significantly compromised which in turn impacts services in neighboring districts who rely on tertiary care centers for services.
- New grads are choosing to practice in retail due to higher salaries.
- The competition is often “local” where a pharmacist can find a job without having to relocate.

A temporary market supplement would improve the ability of employers to attract and retain Pharmacists from both within and outside Saskatchewan.

The Market Supplement Review Committee therefore recommends:

- 1) that a temporary market supplement be negotiated for Pharmacy positions.
- 2) that SAHO Labour Relations assess the current practices with respect to market supplements, other financial incentives and classifications, and work to standardize those practices.
- 3) that the market pressures for Pharmacists be reviewed annually as per the Annual Market Supplement Review Process outlined in the program framework.

Market Supplement Consideration Request - Pharmacist

Employer Respondents (16)

Swift Current Health District

Assiniboine Valley Health District

Battlefords Health District

North Central Health District

Pipestone Health District

Greenhead Health District

St. Elizabeth's Hospital, Humboldt

Lloydminster Health District

South Central Health District

North East South Central Health District

Prince Albert Health District

East Central Health District

Moose Jaw/Thunder Creek Health District

Regina Health District

Prairie West Health District

Saskatoon Health District