

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

- **Occupational Therapist**
- **Respiratory Therapist**
- **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**  
**Mary Spurr (Occupational Therapist)**  
**Debra Morden (Respiratory Therapist)**  
**Warren Chykowski (Respiratory Therapist)**  
**Rupal Bonli (Ph. D. Psychologist)**  
**Chris Driol (HSAS President)**

**For SAHO: Kevin Zimmerman**  
**Ian Billett**  
**Gloria Wall**

**Hearing Date: April 29, 2008**

## **Decision of Adjudicator**

This decision concerns the quantum of market supplement which should be awarded for the following classifications of employees represented for the purposes of collective bargaining by the Health Sciences Association of Saskatchewan (HSAS): Occupational Therapist, Respiratory Therapist and Ph.D. Psychologist. The employers of these employees are represented for collective bargaining purposes by the Saskatchewan Association of Health Organizations (SAHO). In a decision dated June 11, 2007, I concluded that an additional market supplement should be awarded in the Respiratory Therapist classification, and that a market supplement should be added for the Ph.D. Psychologist classification. Though I had not recommended an additional market supplement for the Occupational Therapist classification in my previous decision, the Market Supplement Review Committee (MSRC) report of October 15, 2007 recommended the renegotiation of the rate. The parties were unable to agree on the appropriate amount for these market supplements, and have referred this issue to adjudication.

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, contained 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. It was on the basis of this collective agreement that the hearing held on May 24, 2008, proceeded. A new collective agreement was concluded in October 2007, covering the period from April 1, 2007 to March 31, 2008, and the economic increases negotiated as part of this agreement will affect the market supplemented rates.

As I have commented in earlier decisions, the interplay of the economic increases negotiated from time to time with market supplements is just one of the factors contributing to the volatility of the compensation picture concerning these employees to which adjudication must try to respond. Other changes – decisions concerning the workload and numbers of vacant positions, availability of candidates and economic conditions generally, for example – may also have an impact. Since the situation in other jurisdictions and other professional setting also fluctuates, comparisons are often difficult.

Mr. Glass questioned whether it is appropriate for me to consider information concerning these classifications of employees which has become available since the date of the previous hearing, which occurred in May, 2007. He suggested that as my decision concerning the need to award market supplements was based on information available at that time, the adjudication on the quantum issue should be carried out on the basis of the same body of information.

Market supplements are a component of compensation which is aimed at a particular factor presumed to affect the recruitment and retention of these employees in the health care system. That factor, as the name suggests, is market pressures, and these pressures

wax and wane in response to many things. My task, as I understand it, is to determine in the first instance whether any market supplement or an additional market supplement would be helpful as a strategy for recruitment and retention, and ultimately what level of market supplement would assist in this regard. Unlike other more sustained aspects of compensation which are based on qualifications, experience and the nature of the duties performed, market supplements represent an effort to accommodate external factors, and that external picture is continually in a state of flux.

Any decision I make is inevitably based on a snapshot consisting of the information which seems to present a picture of the “market” at a given time. In my view, it is appropriate for me to consider the most up-to-date snapshot available, because market supplements by their nature are intended to line up to the extent possible with current market pressures – not necessarily those of a year ago when the earlier decision was written. With this in mind, I did permit SAHO to introduce some information bearing on circumstances which have arisen since the last hearing. There is, of course, always a risk that any decision I now make will have been overtaken by further developments before it takes effect, but at least it will not have failed to take into account events which have occurred in the year intervening between my decisions.

### **Occupational Therapist**

The MSRC report issued in October of 2007 recommended the renegotiation of a market supplement rate for this classification. The report indicated that the overall vacancy rate for full-time positions in this classification had risen slightly from 6.1% in 2006 to 8.5% in 2007. On first glance, this might appear to be tied to a modest increase in budgeted full-time positions which occurred in the Saskatoon and Regina Qu’Appelle health regions; those regions, however, reported very low vacancy rates. On the other hand, several smaller health regions, particularly Prairie North, Prince Albert Parkland, Cypress and Sun Country reported high vacancy rates. In the case of Prince Albert Parkland, the vacancy rate had gone from 0% as of 2004 (reported in the 2006 MSRC report) to 57% in 2006.

As Mr. Zimmerman pointed out, these vacancy rates must be carefully interpreted, as in the case of smaller health regions, the percentages are calculated on small total numbers. In the case of the Sun Country Health Region, for example, the rate of 50% represents a single vacancy.

The October 2007 MSRC report also noted that some health regions were reporting moderate to severe service delivery issues attributable to recruitment and retention difficulties. In part, these difficulties have been addressed by a variety of recruitment incentives such as recruitment allowances. Mr. Glass reiterated that HSAS has some concern about the impact of such strategies on the morale of more senior employees, and about the implications of a focus on recruitment for the retention issue.

HSAS proposed that 6% be added to the market supplement in order to counter existing pressures in this classification. SAHO proposed a 1.8% increase. With respect to this

proposal, Mr. Zimmerman pointed out that such an increase would place the wage rates of Occupational Therapists on a par with employees in the Physical Therapist classification; in the past, SAHO had argued for the retention of a distinction in the rates for these two classifications, but has now accepted that such parity may be necessary to address recruitment and retention issues.

Though there clearly seem to be some issues about recruitment in smaller health regions, and this is somewhat troubling, it is striking that the two largest employers of Occupational Therapists, the Saskatoon Health Region (with 43 out of 106 full-time positions) and Regina-Qu'Appelle Health Region (with 37 out of 106 full-time positions) report very low vacancy rates. Indeed, though Saskatoon had added two full-time positions since 2004, the region reported only one vacancy in September 2007.

I am persuaded that the SAHO proposal of a 1.8% increase represents a reasonable level of additional market supplement to address the issues existing in October of 2007.

### **Respiratory Therapist**

At the time of the MSRC report in October 2006, the vacancy rate in full-time positions in this classification had gone from 5.4% in 2005 to 11.8% in 2006. The rate was particularly high in Saskatoon, where there were five vacancies of 25 full-time positions. The report also indicated fairly significant turnover rates in this classification.

Mr. Zimmerman reported that at the date of this hearing, both Regina-Qu'Appelle and Saskatoon are reporting no vacancies in full-time positions, though those employers recognize that there is a continuing need to address recruitment issues. In Saskatoon, a number of additional positions have been created, partly because of expansion of the cardiovascular program and partly in anticipation of a new unit at St. Paul's Hospital. Indeed, there are currently several positions in excess of the budgeted full-time positions, in order to meet the need. In Regina-Qu'Appelle, six new positions have been created, over the budgeted complement.

These changes are particularly important in light of the fact that, as I mentioned in the June 2007 decision, much of the evidence at the May 2007 hearing concerned the frustration of Respiratory Therapists at not being able to meet the specialized service needs of their positions because of heavy workloads.

Turnover rates have continued to be rather high in this classification, although this does not seem to be because of the allurements of other jurisdictions; employees who have left the health regions and continued to work in Saskatchewan have primarily moved to private companies or other organizations where shift work is not required.

HSAS has proposed an 8% increase to the market supplement, in order to address definitively the recruitment and retention issues in this classification. SAHO has proposed an increase of 3.56%, which would place the wage rates in this classification at 98% of the western Canadian average.

I am persuaded that there have been improvements in the circumstances of employees in this classification. Though workload issues are not directly relevant to the rationale for market supplement, the evidence at the May 2007 hearing indicated that workload pressures are tied in the minds of employees to market supplement rates, and it is clear that efforts have been made to ameliorate these pressures. I am therefore directing that the SAHO proposal of a 3.56% increase be adopted.

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

This classification has been without a market supplement for some time, since a negotiated economic increase brought wage rates above the market supplement rate.

The MSRC report of January 2007 indicated that after a gradual move downward, the vacancy rate had again gone up from 17% in 2005 to 22% in 2006. High vacancy rates were indicated for Prairie North (two out of six full-time positions), Prince Albert Parkland (three out of five positions) and Saskatoon (six out of 25 positions).

Both parties indicated that a major competitor with the health care system for employees in this classification is private practice. It is somewhat difficult to compare directly the compensation in these two kinds of employment. Mr. Glass suggested that many employers of consulting psychologists now pay some or all of the overhead costs, and this means that the hourly rate of those psychologists reflects their actual income. Mr. Zimmerman argued that many psychologists in private practice still incur substantial overhead costs, as well as the risk of bad debts, disadvantage with respect to benefits and unpredictability of case loads.

It is clear that, however the most accurate comparisons are to be made – and it is likely that there are some private psychologists who experience the advantageous position outlined by Mr. Glass, and some who face the disadvantages listed by Mr. Zimmerman – private practice is still an attractive option and is favourably compared by psychologists to work in the health care system.

HSAS has proposed a market supplement rate of 8%, while SAHO is proposing that the rate be 5%, which would bring wage rates to 3.66% above the western Canadian average.

It is never easy to decide what level of market supplement would have the desired effect on the recruitment and retention of employees, particularly when all of the dimensions of the most relevant comparator, in this case private practice, are not especially clear. I have concluded, however, that it is necessary for the market supplement rate at this time to be high enough to reverse the fairly large increase in vacancy rates which was evident in the MSRC report. I therefore find that the HSAS proposal of an 8% increase should be accepted.

DATED at the City of Saskatoon the 5<sup>th</sup> day of May, 2008.

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