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**Introduction of market based compensation plan for out-of-scope employees**

The Saskatchewan Association of Health Organizations (SAHO), working with the health regions and the Saskatchewan Cancer Agency, has completed a market comparison review of the out-of-scope compensation program. The pay bands, or ranges, for out-of-scope health care workers will be revised to reflect compensation paid within the competitive marketplace, and terms and conditions of employment standardized for consistent application across all health regions and the Cancer Agency.

A review of the out-of-scope compensation program was last done in 2006. “We are transitioning to a market based comparison for health care wages, and the gap has widened between compensation for out-of-scope employees compared to the marketplace,” stated Susan Antosh, President and CEO of SAHO. Implementing the revised out-of-scope compensation based on a market review, along with recent collective agreements that included wage increases based on market comparisons, will mean that the wage rates of 90% of health care workers have been determined using the competitive market approach.

The average change in pay ranges for about 2500 full time equivalents in out-of-scope positions is 5%. The maximum rate of the pay bands are at the 65<sup>th</sup> percentile in the market place. (About 65% of the employers in the comparator market pays less than or equal to this plan.) In addition to the adjustment in ranges, conditions of employment such as hours of work, sick leave, vacation entitlement and health or lifestyle accounts will be standardized provincially for the out-of-scope workers of health care employers. “The actual salary of CEOs, senior management, and other managers or out-of-scope employees are determined by the employers, but they will now all be working from the same compensation structure,” explained Antosh.

The salaries of CEOs and Vice-Presidents, who are expected to lead the transformational change demanded in quality health care delivery, will have a pay-at-risk component attached. The pay-at-risk component is a new mechanism to measure and compensate for senior level responsibility to successfully achieve established objectives.

More information is available at [www.saho.org](http://www.saho.org) under Services and Labour Relations.

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*SAHO is a non-profit, non-government association that provides a wide range of services for more than 140 member health agencies throughout the province.*

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