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Opinion

COMMENTARY

GOVERNMENT'S CONTRACT WITH HOME-CARE BUSINESSES IS FLAWED

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HEALTH MATTERS
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Canada is in the process of developing a new way of providing health care.

One of the pillars of this new health system is primary care, and an important part of this care is the provision of home care.

In this province, home care agencies are regulated under the Department of Social Development.

This province has always had a poor level of support for home care. The payments made to the workers have tended to be on the low side. I recall that some years ago, home care workers in Nova Scotia were paid twice as much as those in New Brunswick. More recently, workers in Nova Scotia have been paid \$16.34 an hour, while those in New Brunswick got \$9.50 an hour.

There are some 77 home-care businesses in the province, employing about 3,500 workers, and caring for more than 8,000 people in their own homes. A few of the agencies are large and located in urban areas. However, most are small, owner-operated agencies located in rural areas.

The most recent contract provided to owner/managers of home-care agencies last fall left many of these small agencies in a bad situation. The hourly wage for workers was increased by one dollar to \$11 an hour.

However, the contract did not contain a clause that had been in previous contracts. This clause mandated that a payment of 60 per cent of the pay rate should be paid to the owner to cover their expenses. Thus, instead of a payment of \$18.33 an hour which would have resulted under the previous formula, the owner received only \$16 an hour.

This leaves the small home-care businesses in a precarious situation. Consider the expenses that an owner/manager must pay in addition to salaries. This includes employers' premiums for Employment Insurance, Canada Pension Plan, and workers' compensation. The latter is very expensive because back injuries are a problem. Liability insurance is another major cost. Workers' are also paid per kilometre for the use of their car.

All workers must be trained. A community college course costs \$4,380. Few workers can afford the cost of this course. Hence, many small, rural-based companies provide this training in house. Typically, the agency hires an RN to give 300 hours of training. The Social Development Department must approve the credentials of the trainer and the curriculum. Workers are trained on their own time.

Then, there are the usual office expenses, including maintaining the office through paying for rent, telephone, computers, heating and lights. An office administrator is required and someone to handle the accounting duties.

Finally, the owner has to invest to establish and maintain the business, and some reasonable return on investment would be required. The owner/manager could reasonably expect to be paid at least a modest salary for their full-time work.

Meanwhile, while expenses are significant for providing home care in an appropriate manner, the regulated agency must compete with the irregular provision of home care. This is a huge issue in this province. The work is done by people who are hired by families to give care. It used to be thought that all you had to do to get adequate home care was to hire a "good woman." However, sicker people are now returning to their homes, and the level of nursing care goes considerably beyond what could be provided by that good woman.

It is good that trained people are now undertaking this work, but the viability of professional agencies is threatened by the recent contract.

Many have questioned the location of regulation of this industry being in the Social Development department. It would be more appropriate to have the Health department, or the regional health authorities overseeing this vital service.

The government should revisit this contract.

Jo-Ann Fellows is a writer with an interest in health care. She lives in Fredericton.