

SENIOR MEDICAL WORKFORCE

Factsheet #1 –Backgrounder

This fact sheet is being sent to you to provide you with background information around the current SMO pay negotiations and to assist you in understanding the issues and the DHBs' position in bargaining.

FURTHER INFORMATION

If you would like more information, or want to provide feedback to the DHB negotiation team you can do so at: AllDHBs@dhbsharedservices.health.nz

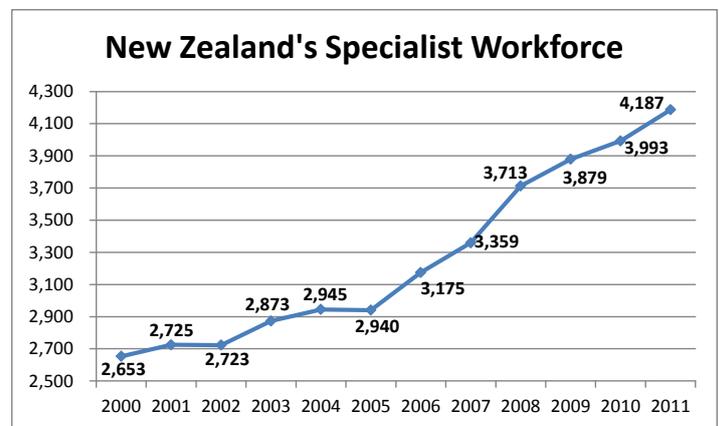
This information sheet is authorised by the DHBs' Employment Relations Strategy Group on behalf of the 20 District Health Boards

The Senior Medical Officer (SMO) Workforce includes "Specialists" – medical and dental practitioners who have completed the requirements for membership of one of various vocational/specialty colleges – and "Medical/Dental Officers" who do not have a specific vocational registration.

All 20 DHBs and the Association of Salaried Medical Specialists (ASMS – the senior doctor's union) are currently renegotiating the National Multi-Employer Collective Agreement (MECA) setting out the pay and conditions for DHB-employed SMOs.

Workforce Snapshot:

Since 2000, the number of specialists practising in New Zealand has increased by nearly 60%, or around four times the increase in New Zealand's population over the same period. The DHB-employed specialist workforce is currently increasing at around 150 per annum.



Source: Medical Council of New Zealand

DHBs currently employ over 4,500 SMOs, investing over \$1 billion per annum in employment and employment-related costs for this workforce.

The DHB-employed SMO workforce numbers around 3,800 on a full-time equivalent (FTE) basis.

A key reason for the difference in 'headcount' and full-time equivalent numbers is that many DHB-employed SMOs only work part-time.

We know from Medical Council of New Zealand (MCNZ) data that many SMOs work in both public (DHB) and private settings. Over 60% of specialists employed in DHBs work at another non-DHB work place (Source MCNZ).

Around two-thirds (67%) of DHB-employed SMOs are male.

The average age of DHB-employed SMOs is 49. The largest single group of DHB employed SMOs are in the 40 to 44 years of age band (as at 31 December 2012)

The DHB-employed SMO workforce is very stable – the average length of service is over nine years at their current DHB; the highest of any DHB workforce.

It is recognised that a high proportion of the medical workforce practising in New Zealand obtained their first medical qualification (e.g. Bachelors degree) at an overseas medical school – often referred to as International Medical Graduates or IMGs. The MCNZ workforce survey reports that 42% of specialists were IMGs, however over 70% of these doctors have subsequently gained a New Zealand vocational (i.e. specialist) qualification (source: MCNZ).

The majority of IMG SMOs come from the United Kingdom, Ireland, Australia, South Africa, and North America (the United States and Canada).

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Remuneration

The Specialist scale in the SMO MECA has a base salary range of \$149,750 to \$206,000 p.a. (based on a 40-hour week). If an SMO's job-size is assessed as greater than 40 hours/week, their base salary is adjusted accordingly.

Progression through the salary scale provides an individual SMO with around a 3% salary increase per annum (between \$4,500 and \$6,500 p.a.).

Specialists also receive a range of additional allowances and conditions-of-work payments recognising factors such as specific management or leadership responsibilities, on call work, shift work, and individual recruitment and retention issues.

An employer superannuation contribution of up to 6% of gross taxable salary is also available, where the SMO is not already a member of the Government Superannuation or National Provident Fund Schemes.

The current average remuneration package for DHB-employed specialists (on an FTE basis) is as follows:

	Specialists
Average (FTE) Base Salary	\$ 189,500
Average Additional Salary Payments	\$ 60,000
Sub-total	\$ 249,500
Average Superannuation payment	\$ 11,250
Average Total Salary Package	\$ 260,750

Source: DHB Payroll Data (July 2012)

Other conditions

In addition to remuneration above, SMOs are entitled to the following:

- A personal Continuing Medical Education (CME) entitlement of \$16,000 p.a.
- A CME leave entitlement of 2 weeks per annum, plus reasonable travelling time
- Six weeks' annual leave
- An opportunity for a three-month long paid sabbatical every six years

Since the first MECA was settled in 2004/05 the top of the base salary scale for Specialists has increased by around 40% or 4% per annum.

An SMO who was first appointed in 2001, and who had progressed to the top of the scale by 2013 would, in most cases, have seen their salary more than double over that period.