

Health board must explain

The StarPhoenix

June 5, 2004

The ghost of the abruptly and wealthily departed Jim Fergusson will haunt the Saskatoon Health Region for months to come while his successor tries to come to grips with the former CEO's legacy.

And from the perspective of taxpayers and consumers, the health region board's explanation as to Fergusson's sudden departure has fallen far short of being satisfactory and sadly is in keeping with a typical bunker mentality within the organization.

It's easy to understand public concerns about the lucrative contract the region struck with Fergusson, which apparently required it to provide the CEO with a hefty payout, regardless of which party decided to terminate the agreement.

While such a "golden parachute" clause may be an unavoidable reality where recruiting a highly qualified candidate in a competitive market is an issue, there's reason to question whether it was merited in this case.

Unlike many health organization CEOs who have master's degrees in the medical field or extensive experience at a senior level in a health-care setting, Fergusson didn't have a university degree. When he joined the former Saskatoon District Health as vice-president of human resources, he'd worked for the provincial government, CUPE and the city of Saskatoon.

According to SHR board chair Bob Bundon, Fergusson's contracts had stipulated severance provisions ever since he came aboard in 1992. Incredibly, they would have required taxpayers to shell out three months' pay each time he was promoted -- to CEO of the former health district in 1994 and eventually, as CEO of the new health region in August 2002 -- had Fergusson not graciously agreed to forgo severance payments in accepting the new assignments that came with higher pay.

Health care economist Glen Beck is right when he suggests that such provisions are an abuse of the system. "This thing that was intended as a redress to hardship has become a perk of the elite ... When you are paying someone the kind of money that these CEOs get, you shouldn't have to be tiding them over."

Of course, he's right. However, rather than castigate Fergusson for taking advantage of a contract that let him quit his job and collect more than \$66,000 and land a 12-month consulting gig that makes no specific demands, taxpayers should be taking the health board to task for having created this situation.

By any reckoning, this is absurd.

A health region that a couple of months ago was trying to save \$200,000 by postponing overnight-stay surgery for about five dozen people who'd languished for months on wait lists is paying its former CEO undisclosed thousands to help his successor deal with huge problems that arose on his watch.

By now, it's evident that the postponement of surgery likely was a pre-budget ploy by SHR to

try to wrest more money from the province. The \$12-million 2003-04 budget deficit which Fergusson had projected as justification for the move has shrunk magically to about \$6.4 million. However, even though the province came through with additional money in its budget, SHR faces huge problems as it tries to cobble together its pending plans for a fiscal year that began on May 1.

Along with the challenges of finding the \$6 million in administrative and other savings which Health Minister John Nilson wants, SHR needs to make room for wage hikes stipulated by collective agreements. Then there is Fergusson's commitment to provide \$100,000 a year for five years for a medical beamline at the synchrotron, as well as the furnishing and staffing of the detox centre he pushed hard to create.

Oh, then there's the little matter of having deal with the fallout from an investigation into Dr. Jon Witt's concerns about emergency care at Royal University Hospital.

As interim CEO Jean Morrison, SHR's senior VP of nursing and health services, tries to come up with a plan to handle budget pressures and deal with issues such as long wait lists, facility closures/conversions and bed numbers in the region, she's been put in the position of having to rely for advice on the man who Bundon says left because his "heart wasn't in it" and had "come to the end of his string."

Bundon's board owes the public a better explanation than it so far has provided for the sorry state of affairs at SHR.

"Democracy cannot be maintained without its foundation: free public opinion and free discussion throughout the nation of all matters affecting the state within the limits set by the criminal code and the common law."

-The Supreme Court of Canada, 1938

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