

Labour Day Reality Check 2021

Federal government pay
hikes during the pandemic

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About the Canadian Taxpayers Federation

The Canadian Taxpayers Federation is a federally incorporated, not-for-profit citizen's group dedicated to lower taxes, less waste and accountable government. The CTF was founded in Saskatchewan in 1990 when the Association of Saskatchewan Taxpayers and the Resolution One Association of Alberta joined forces to create a national organization. Today, the CTF has 235,000 supporters nation-wide.

The CTF maintains a federal office in Ottawa and regional offices in British Columbia, Alberta, Prairie (SK and MB), Ontario, Quebec and Atlantic. Regional offices conduct research and advocacy activities specific to their provinces in addition to acting as regional organizers of Canada-wide initiatives.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries, online postings and publications to advocate on behalf of CTF supporters. CTF representatives speak at functions, make presentations to government, meet with politicians, and organize petition drives, events and campaigns to mobilize citizens to affect public policy change.

Each week CTF offices send out Let's Talk Taxes commentaries to more than 800 media outlets and personalities across Canada. Any Canadian taxpayer

committed to the CTF's mission is welcome to [join at no cost and receive issue and Action Updates](#). Financial supporters can additionally receive the CTF's flagship publication The Taxpayer magazine published three times a year.

The CTF is independent of any institutional or partisan affiliations. All CTF staff, board and representatives are prohibited from holding a membership in any political party. In 2019-20, the CTF raised [\\$4.8 million](#) on the strength of 31,655 donations. Donations to the CTF are not deductible as a charitable contribution.



Labour Day Reality Check 2021:

Federal government pay hikes during the pandemic

Canadians have endured a tale of two downturns during the pandemic. There's the very real downturn full of private-sector pain. Then there's the experience of government employees who have largely been financially shielded from the downturn.

While many workers in the private sector have lost their jobs or taken pay cuts, thousands of federal government employees and all members of Parliament pocketed pay raises. This report uses exclusive government documents obtained by the Canadian Taxpayers Federation and Statistics Canada data to demonstrate the divide between government employees and taxpayers who will be forced to pick up the growing tab.

Key findings:

1. During the pandemic, 312,825 federal government employees received a pay raise.
2. There have been 395,900 private sector job losses vs. 149,500 new government jobs (all levels) since February 2020.
3. In 2020, 74,925 federal bureaucrats made more than \$100,000. That number grew by 5,918 employees during the pandemic. That's up from 43,424 in 2015.
4. All members of Parliament received two pay raises during the pandemic, ranging from \$6,900 for a backbench MP to \$13,800 for Prime Minister Justin Trudeau.
5. The federal government has no records of its employees ever receiving a pay cut.

Federal employee pay raises

There were 312,825 federal government employees that received a pay raise during the COVID-19 pandemic, according to [exclusive documents](#) obtained by the CTF through an access to information request to Public Services and Procurement Canada. The table below breaks down the number of federal employees that received a pay raise in each year during the pandemic.

TABLE 1

Federal government employees receiving pay raises during the pandemic

| Year | Number of federal employees receiving pay raise |
|--|---|
| 2020 | 278,892 |
| 2021 | 115,555 |
| Total number of employees that received pay raise in 2020 or 2021 | 312,825* |

**The total number of employees that received a pay raise in 2020 and 2021 do not add up because the same employee could receive a pay raise in 2020 and 2021.*

The CTF's access to information request was filed in May 2021 and asked for the annual cost of these pay raises. Despite having months to complete the request, PSPC was unwilling or unable to provide the data. In stark contrast, municipalities, provinces and community colleges have been able to provide this information.

While thousands of government employees received pay raises during lockdowns in 2020 and 2021, the federal government has no records of its employees receiving a pay cut, according to [research](#) from the think tank [Secondstreet.org](#).

In addition to bureaucrat pay raises, Canadian taxpayers have also had to pay for thousands of new government employees during the pandemic. Despite [395,900](#) private sector job losses (including self-employed) between February 2020 and July 2021, the number of government jobs (all levels) increased by 149,500. There were [56,600](#) “public administration” jobs added since the beginning of the pandemic.

This bureaucrat surge follows years of increases.

“Ottawa’s public service has swelled by roughly 10,000 bureaucrats per year under Trudeau, to roughly 380,000 today,” [according](#) to Postmedia.

Taxpayers deserve federal sunshine list

The federal government should improve accountability and transparency by implementing a sunshine list to disclose the salaries of its employees receiving more than \$100,000 every year. The majority of provinces have sunshine lists.

Through access to information requests to PSPC, the CTF received data on the number of federal employees that would be included on a federal sunshine list that discloses the salaries of employees receiving more than \$100,000 per year, which is presented in the table below. As Table 2 illustrates, the sunshine list would have expanded by 5,918 employees in 2020, and 31,501 employees since 2015.

TABLE 2

Number of federal employees receiving more than \$100,000-salary

| Year | Number of employees |
|----------------------|---------------------|
| 2020 | 74,925 |
| 2019 | 69,007 |
| 2018 | 71,534 |
| 2017 | 61,165 |
| 2016 | 42,518 |
| 2015 | 43,424 |

Politician pay raises

In addition to bureaucrat pay raises, all members of Parliament received [two pay raises](#) while millions of Canadians struggled through the pandemic. The MP pay raises range between \$6,900 for backbench MPs to \$13,800 for the prime minister.

MPs get pay raises each year on April 1, [based](#) on the average annual increase in private-sector union contracts with corporations that have 500 or more employees. The federal government [stopped](#) the automatic pay raises between 2010 and 2013 in response to the 2008-09 recession.

TABLE 3

COVID-19 politician pay hikes

| Position | Pre-COVID Salary | Current Salary | COVID-19 Pay Raise |
|----------------------|------------------|----------------|--------------------|
| Senator | \$153,900 | \$160,800 | \$6,900 |
| Member of Parliament | \$178,900 | \$185,800 | \$6,900 |
| Minister | \$264,400 | \$274,500 | \$10,100 |
| Prime Minister | \$357,800 | \$371,600 | \$13,800 |

While Canada's members of Parliament pocketed two pay raises during the pandemic, politicians in other countries showed solidarity with their taxpayers and took a pay cut.

"We acknowledge New Zealanders who are reliant on wage subsidies, taking pay cuts and losing their jobs as a result of the COVID-19 global pandemic," said New Zealand Prime Minister Jacinda Ardern. "I can confirm that myself and government ministers and public service chief executives will take a 20 per cent pay cut for the next six months."

The CTF has identified 31 jurisdictions where politicians took pay cuts at some point during COVID-19:

1. [Halifax](#)
2. [Lethbridge](#)
3. [Burnaby](#)
4. [Vancouver](#)
5. [Austria](#)
6. [Bermuda](#)
7. [Botswana](#)
8. [Costa Rica](#)
9. [Cyprus](#)
10. [Ecuador](#)
11. [Fiji](#)
12. [Germany](#)
13. [Greece](#)
14. [India](#)
15. [Israel](#)
16. [Japan](#)
17. [Malawi](#)
18. [Malaysia](#)
19. [Maldives](#)
20. [Malta](#)
21. [Minnesota](#)
22. [Namibia](#)
23. [Nigeria \(Akwa Ibom state government\)](#)
24. [Philippines](#)
25. [Rwanda](#)
26. [Singapore](#)
27. [South Africa](#)
28. [South Korea](#)
29. [Thailand](#)
30. [Vatican](#)
31. [New Zealand](#)