

A tale of two downturns

A report on government pay raises during the pandemic

Franco Terrazzano

CANADIAN TAXPAYERS FEDERATION

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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.

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.



A tale of two downturns

A report on government pay raises during the pandemic

Canadians have endured a tale of two downturns during the pandemic. There's the very real downturn full of pain for local businesses and their employees. Then there's the experience of government employees who have been financially shielded from the downturn and have even benefited.

Through freedom of information requests, the Canadian Taxpayers Federation obtained government documents showing the number of government employees that received a pay raise during the pandemic and the cost of those increases. The results are highlighted in Table 1. For a breakdown of each jurisdiction, including the taxpayer costs, see the summary tables in the appendix below.

There were **528,347** provincial and federal government employees that received a pay raise during the pandemic.¹ Not a single federal or provincial government reduced pay for its employees during the pandemic.

The federal government negotiated pay raises in the middle of the pandemic and as its debt ballooned toward the \$1-trillion mark.

On July 22, 2020, Postmedia [reported](#) "the [federal] Treasury Board has signed a tentative agreement with the Public Service Alliance of Canada (PSAC) to boost the wages of [10,000] unionized workers by 6.64 per cent over three years." Postmedia also noted that this agreement followed "an earlier agreement, announced July 10, that hiked wages for 84,000 'administrative services' bureaucrats, who also saw a 6.64 per cent increase over three years."

TABLE 1

Government employee pay raises during 2020 and 2021

Government	Number of employees receiving a pay raise during pandemic
Federal	312,825
British Columbia	33,336
Alberta	18,884
Saskatchewan	11,956
Manitoba	4,188
Ontario	64,958
Quebec	42,149
New Brunswick	20,090
Nova Scotia	9,573
Prince Edward Island	3,758
Newfoundland and Labrador	6,630
Total	528,347

The federal government agreed to substantial pay increases for the Royal Canadian Mounted Police during the pandemic.

"This summer, the federal government and the union representing RCMP members ratified an agreement to deliver a sizeable pay increase to nearly 20,000 members," [reported](#) the CBC on Oct. 20, 2021. "Constables – who account for more than half of all RCMP officers – will see their maximum salary jump from \$86,110 as of April 2016 to \$106,576 next year."

¹ This calculation uses the highest number of government employees that received a pay raise in either 2020 or 2021 as that would best represent the total number of employees within each government that received at least one raise during the pandemic. However, even this number is a conservative estimate as an employee may have received a raise in one year but not the other. For example, the federal government acknowledged that 312,825 individual employees received at least one pay raise during the pandemic, which is a higher total than the 2020 or 2021 years. This calculation uses the 312,825 figure that was provided by the federal government.

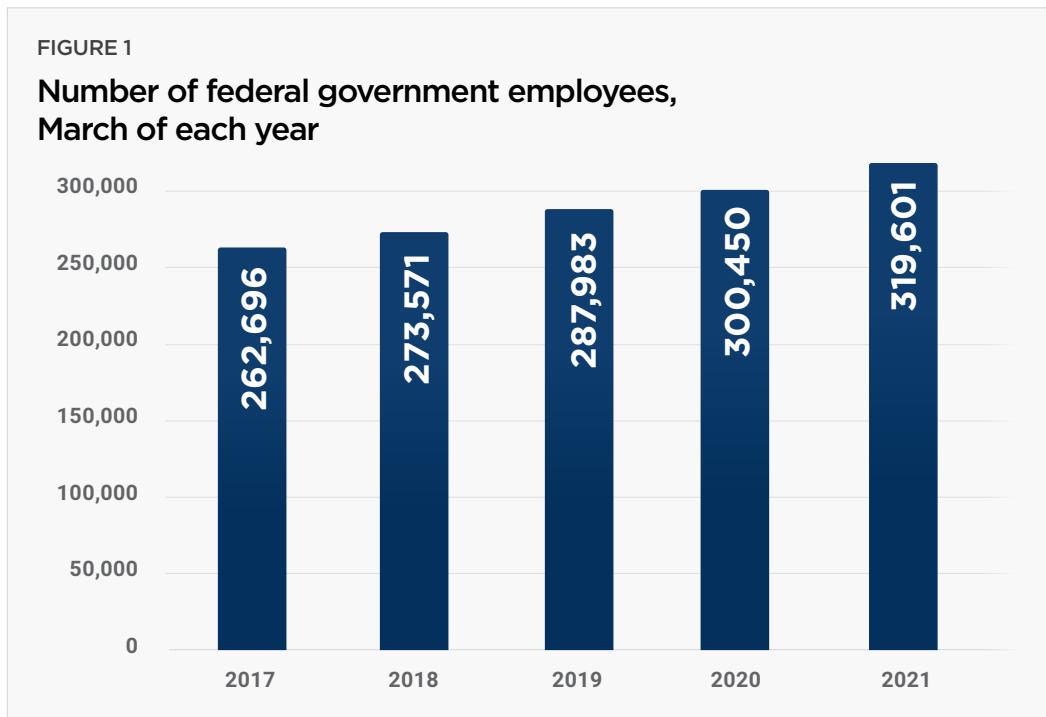
Taxpayers are also paying for pay raises in major cities. For example, nearly [14,000](#) employees at the city of Calgary and more than [34,000](#) employees at the city of Toronto received a raise in 2020.

While thousands of provincial and federal government employees received a pay raise during the pandemic, not a single federal or provincial government has records of its employees receiving a pay reduction during the pandemic, according to [research](#) from [Secondstreet.org](#).

Government job increases

In addition to bureaucrat pay raises, Canadians face a higher tax burden to pay for more government employees. Since the beginning of the pandemic, there are now 306,800 more government jobs across Canada, according to Statistics Canada [data](#). Of those new government jobs, 111,800 are “[public administration](#)” employees. In stark contrast, there has been 66,300 net job losses outside of government between February 2020 and December 2021, according to Statistics Canada.

This government bureaucrat surge follows years of increases. The [federal bureaucracy](#) has increased by 56,905 employees since 2017, which means the federal government has added more than 14,000 employees per year (see Figure 1).



More federal bureaucrats receiving six figures

Unlike the vast majority of provinces, the federal government does not have a sunshine list to disclose the salaries of its highest paid employees. Through access to information requests, 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. The sunshine list would have expanded by 5,918 employees during the pandemic in 2020, and 31,501 employees since 2015.

TABLE 2

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

Increase	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, 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 are set to receive their third pandemic pay raise in 2022.

MPs give themselves 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. MPs [stopped](#) the automatic pay raises between 2010 and 2013 in response to the 2008-09 recession.

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 at least [30 jurisdictions](#) where politicians took pay cuts at some point during the pandemic.

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

Appendix

Government pandemic pay raises – breakdown by jurisdiction

TABLE 4

Federal government

Number of employees receiving pay raise in 2020	278,892
Number of employees receiving pay raise in 2021	115,555
Pay cuts during pandemic	None
Last government employee pay cut	No records of its employees ever receiving a pay cut.

The information request shows that 312,825 employees received at least one pay raise during the pandemic. 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, Public Services and Procurement Canada was unwilling or unable to provide the data. In stark contrast, municipalities, provinces and community colleges have been able to provide this information.

Freedom of information request: <http://www.taxpayer.com/media/Federal-Government-Pay-Raises-Number-Employees.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 5

British Columbia

Number of employees receiving pay raise in 2020	33,336
Cost of pay raises in 2020	\$69,037,635
Number of employees receiving pay raise in 2021	28,972
Cost of pay raises in 2021	\$47,058,178
Total cost of pay raises during pandemic	\$116,095,813
Pay cuts during the pandemic	None
Last government employee pay cut	B.C. did not have a summary document available and did not provide data on the last negotiated pay cut.

Freedom of information request: <http://www.taxpayer.com/media/BC-Pay-Raise.pdf>

Research on the last government pay cut was done by Secondstreet.org:

<https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 6

Alberta

Number of employees receiving pay raise in 2020	18,884
Cost of pay raises in 2020	\$47,892,340
Pay cuts during the pandemic	None
Last government employee pay cut	5% pay cut in 1994 (last broad pay cut).

Included in the 2020 figure is core Alberta government department employees and employees of Alberta post-secondary institutions.

The Alberta government did not provide data on the number of employees that received a pay raise in 2021 or the cost of those pay raises.

Freedom of information request on Alberta government pay increases: <http://www.taxpayer.com/media/Alberta-pandemic-pay-raise.pdf>

Freedom of information requests for universities and colleges: <http://www.taxpayer.com/media/Pay-Hikes-Universities-Colleges-Report-2021.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 7

Saskatchewan

Number of pay raises in 2020	4,348
Cost of pay raises in 2020	\$17,684,253
Number of employees receiving pay raise in 2021	11,956
Cost of pay raises in 2021	\$22,563,837
Total cost of pay raises during pandemic	\$40,248,089
Pay cuts during the pandemic	None
Last government employee pay cut	No pay cuts since 1998 (last year data was provided for).

Freedom of information request: <http://www.taxpayer.com/media/Sask-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 8

Manitoba

Number of employees receiving pay raise during the pandemic	4,188
Total cost of pay raises during pandemic	\$4,528,589
Pay cuts during the pandemic	None. The Manitoba government did, however, require employees to take five unpaid workdays in 2020.
Last government employee pay cut	Employees were required to take 10 unpaid workdays in 1993.

The data provided by the government of Manitoba was not broken down by individual year.

Freedom of information request: <http://www.taxpayer.com/media/MB-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 9

Ontario

Number of employees receiving pay raise in 2020	64,958
Cost of pay raises in 2020	\$69,583,625
Number of employees receiving pay raise in 2021	53,349
Cost of pay raises in 2021	\$15,740,629
Total cost of pay raises during pandemic	\$85,324,254
Pay cuts during the pandemic	None
Last government employee pay cut	The Ontario government passed legislation in 1993 that required employees (who earned over \$30,000 at the time) to take up to 12 days of unpaid leave.

Data for 2021 is from January to April, not the full year.

Freedom of information request: <http://www.taxpayer.com/media/ON-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 10

Quebec

Number of employees receiving pay raise in 2020	42,149
Number of employees receiving pay raise in 2021	3,797
Total cost of pay raises during pandemic	\$3,089,200,000*
Pay cuts during the pandemic	None
Last government employee pay cut	Temporary measure legislated in 1982

*The number of employees who received pay raises and the total cost of pay raises are not directly related. That means the average pay increase for each employee cannot be found by dividing the cost of increases by the number of employees that received an increase. That's because the information on the number of employees that received a raise refers to the number of core government department employees that received pay raises during the pandemic and does not consider every provincial government employee.

The cost of pay raises for government of Quebec employees is significantly larger than that of the other provinces because this is the total cost of all government employees in Quebec, from April 2020 to December 2020. In contrast, the figures for Alberta only include the cost of employees that work in a core government department and post-secondary institutions, but don't include employees at all government institutions such as those at Alberta Health Services.

Freedom of information request for number of government employees: <http://www.taxpayer.com/media/QC-pandemic-pay-raise.pdf>

Freedom of information request for cost of pay raises: <http://www.taxpayer.com/media/QC-cost-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 11

New Brunswick

Number of employees receiving pay raise in 2020	20,090
Cost of pay raises in 2020	\$11,643,149
Number of employees receiving pay raise in 2021	5,314
Cost of pay raises in 2021	\$3,930,779
Total cost of pay raises during pandemic	\$15,573,928
Pay cuts during the pandemic	None
Last government employee pay cut	No pay cuts since 1970 (last year data was provided for).

Freedom of information request: <http://www.taxpayer.com/media/NB-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org:

<https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 12

Nova Scotia

Number of employees receiving pay raise in 2020	9,573
Cost of pay raises in 2020	\$19,000,000
Number of employees receiving pay raise in 2021	4,208
Cost of pay raises in 2021	\$12,500,000
Total cost of pay raises during pandemic	\$31,500,000
Pay cuts during the pandemic	None
Last government employee pay cut	No pay cuts since 1998 (last year data was provided for).

Freedom of information request: <http://www.taxpayer.com/media/NS-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 13

Prince Edward Island

Number of employees receiving pay raise in 2020	3,758
Number of employees receiving pay raise in 2021	3,520
Pay cuts during the pandemic	None
Last government employee pay cut	7.5% pay cut in 1994.

Data for 2021 is from January to May 10, not the full year. The government of PEI did not provide data on the cost of pay raises.

Freedom of information request: <http://www.taxpayer.com/media/PE-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

TABLE 14

Newfoundland and Labrador

Number of employees receiving pay raise in 2020	6,484
Cost of pay raises in 2020	\$4,234,864
Number of employees receiving pay raise in 2021	6,630
Cost of pay raises in 2021	\$2,702,760
Total cost of pay raises during pandemic	\$6,937,624
Pay cuts during the pandemic	None
Last government employee pay cut	Did not provide data on the last government pay cut.

Data for 2021 is from January to June 22, not the full year.

Freedom of information request: <http://www.taxpayer.com/media/NFLD-pandemic-pay-raise.pdf>

Research on the last government pay cut was done by Secondstreet.org: <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>