

NEWS RELEASE

Government employees in Quebec get higher wages, retire earlier than comparable private-sector workers

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For Immediate Release

MONTREAL—Government employees in Quebec get 9.1 per cent higher wages, on average, than comparable workers in the private sector and they enjoy more generous non-wage benefits, too, finds a new study by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“As the Quebec government looks to better control spending, and the federal government—which has a lot of employees in Quebec—struggles with deficits and mounting debt, scrutinizing public sector compensation at all levels of government is important,” said Charles Lammam, director of fiscal studies at the Fraser Institute and co-author of *Comparing Government and Private Sector Compensation in Quebec*.

The study finds that government employees in Quebec—including federal, provincial and municipal workers—received 9.1 per cent higher wages, on average, than comparable workers in the private sector in 2015, the most recent year of data from Statistics Canada’s Labour Force Survey.

And that wage gap takes into account differences between workers in the public and private sectors such as age, gender, education, tenure and type of work.

But wages are only part of overall public-sector compensation, which accounts for about half of annual provincial government program spending. In fact, government workers in Quebec enjoy much more generous benefits, too.

- **Pensions:** Almost all government employees in Quebec (98 per cent) are covered by a defined benefit pension plan—which offers a guaranteed level of benefits in retirement—compared to just one in 10 workers in the private sector (13.3 per cent)
- **Early retirement:** Government employees in Quebec retire 2.8 years earlier, on average, than the province’s private-sector workers.
- **Personal leave:** Government employees in Quebec are absent from their jobs for personal reasons 72 per cent more often than private-sector workers—16.5 days compared to 9.6 days.
- **Job security:** Government employees in the province enjoy much more job security, and are nearly eight times less likely to experience job loss than private-sector workers—0.6 per cent compared to 4.5 per cent.

“Of course, governments need to provide competitive compensation to attract qualified employees, but the fact is wages and benefits in the public sector in Quebec are out of step with the private sector,” Lammam said.

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