



NEWS RELEASE

Alberta's public-sector employees were paid 9.3 per cent higher wages than comparable private-sector workers in 2018

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CALGARY—Government employees in Alberta received 9.3 per cent higher wages on average than comparable workers in the private sector last year, and enjoyed much more generous non-wage benefits, too, finds a new study by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Bringing government-sector compensation in line with the private sector would not only help governments in Alberta control spending without reducing services, it would also maintain fairness for taxpayers,” said Ben Eisen, a senior fellow with the Fraser Institute’s Alberta Prosperity Initiative.

The study, *Comparing Government and Private Sector Compensation in Alberta*, finds that government employees in Alberta—including federal, provincial and municipal workers—received 9.3 per cent higher wages, on average, than comparable workers in the private sector in 2018. And that wage gap accounts for differences between workers in the two sectors such as age, gender, education, tenure and type of work.

But wages are only part of overall compensation. Government workers in Alberta enjoy much more generous benefits, too.

- **Pensions:** Almost 7-in-10 government workers in Alberta (66.8 per cent) have a defined benefit pension plan—which offers a guaranteed level of benefits in retirement—compared to less than 1-in-10 workers in the private sector (6.3 per cent).
- **Early retirement:** Government workers in Alberta retire 1.8 years earlier, on average, than private-sector workers.
- **Personal leave:** Government workers in Alberta are absent from their jobs for personal reasons 63.2 per cent more often than private-sector workers—12.4 days compared to 7.6 days.
- **Job security:** Government workers were 5 times less likely to experience job loss than private-sector workers—0.6 per cent compared to 3.2 per cent.

“Of course, governments in Alberta should provide competitive compensation to attract qualified employees, but clearly wages and benefits in the government sector are out of step with the private sector,” said Steve Lafleur, study co-author and Fraser Institute senior policy analyst.

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MEDIA CONTACT:

Ben Eisen, Senior Fellow, Albert Prosperity Initiative
Fraser Institute

Steve Lafleur, Senior Policy Analyst
Fraser Institute

To arrange media interviews or for more information, please contact:
Bryn Weese, Media Relations Specialist
Fraser Institute

604-688-0221 ext. 589
bryn.weese@fraserinstitute.org

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