

Halt all hiring: an immediate fix for reining in unchecked government bureaucracy

by FRANK STRONACH

Most Canadians would not be surprised to learn there are way too many civil servants in Ottawa.

But they would probably be shocked to learn just how top-heavy the Canadian bureaucracy really is. That's one of the eye-opening bits of information revealed at a House of Commons committee meeting last week featuring Parliamentary Budget Officer Yves Giroux.

According to Giroux, federal bureaucrats can report to as many as seven different levels of management within various government departments. When questioned whether seven layers of management was excessive or necessary, Giroux responded that "there is room to reduce."

Even the federal government, which is not known for fiscal discipline, said it could lop \$3 billion per year in government administration over the next five years. But that only represents a paltry one percent reduction in total annual spending. Surely there's a lot more fat, duplication and waste that can be cut out of the budget without laying off any civil servants.

For the past several years, I've consistently advocated for government spending cuts of 5 per cent per year over a period of ten years, which would end up reducing government overhead by half within a decade. I've also suggested the creation of a task force comprised of retired business leaders who could assist in determining areas where the government could cut spending.

The Fraser Institute published a report last month showing how the federal government could balance the budget within a year simply by reducing government spending by 4.3 per cent - an amount very close to what I've proposed.

The proposed spending cut formula I put forward is one of seven common-sense principles I've advocated for the past year as part of a new Economic Charter of Rights to revive our economy and restore Canadian prosperity.

But it's not just the cost of excessive bureaucracy that Canadians object to. It's also the red tape and regulations that come with it, which end up making everything slower and more complicated than necessary.

The federal civil service now chews up over \$67 billion per year in salaries, benefits and pensions - a record high amount. The escalating growth in payroll was termed "worrisome" by the Parliamentary Budget Officer.

Not only are there more civil servants than ever, but there's also more bureaucrats than ever taking home six-figure salaries. According to the Canadian Taxpayers Federation, over 110,000 federal public servants made in excess of \$100,000 in 2023. In short, not only is our bureaucracy growing by the day - it's also becoming more expensive.

Despite the swelling size of our civil service, it's important to note that bureaucrats should never be made the scapegoat for the financial mismanagement created by governments. It's not their fault spending has gotten out of control.

Regardless, the problem posed by our ever-expanding bureaucracy needs to be dealt with immediately. It's been put on the back burner for far too long.

In addition to reducing government spending on overhead by five per cent per year for ten years, we should implement an immediate and permanent hiring freeze when it comes to the civil service until the public sector payroll shrinks to a more sustainable level.

If the government official who's been put in charge of keeping an eye on our budget says there's room to reduce the size of our bureaucracy, then we should start reducing.

Not only will we save billions of dollars, but Canadians might also finally get a break from overzealous bureaucrats meddling in every aspect of our lives.

To learn more about how we can increase Canadian living standards, email me at info@economiccharter.ca.

Author Bio

Frank Stronach is the founder of Magna International Inc., one of Canada's largest global companies, and the Stronach Foundation for Economic Rights (www.economiccharter.ca).