

# THE HILL TIMES

Thursday, April 23, 2026

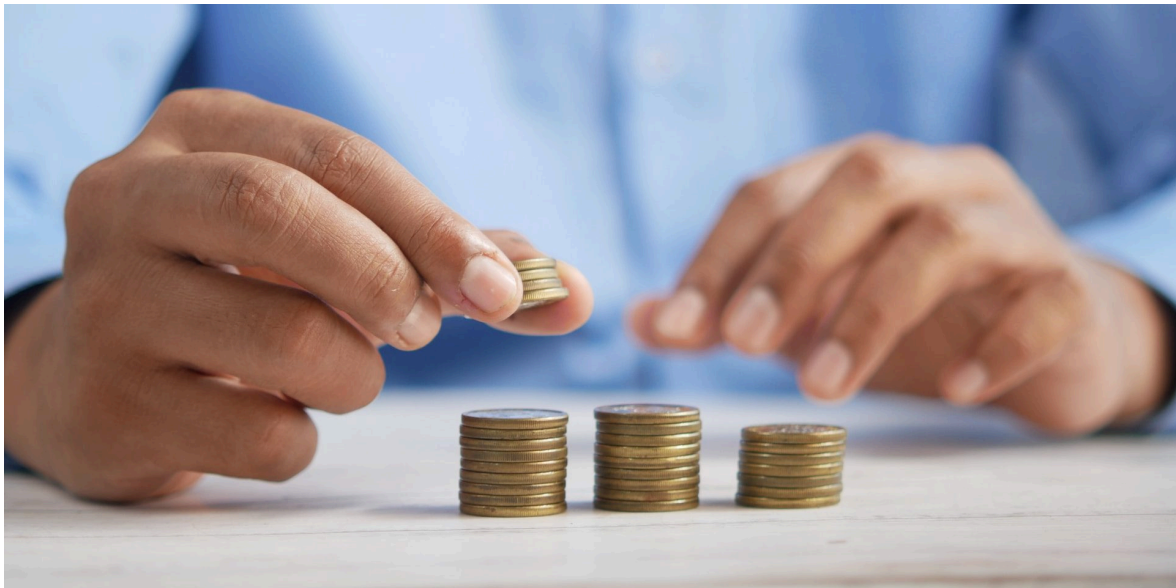
Canada's Politics and Government News Source Since 1989

Latest Paper

TRENDING: Committee control | Uyghur refugees | Defence procurement | CUSMA | Hill Climbers | Anand update | Riding names | Caucus management

## Billionaire growth is out of control — and we're paying the price

If we want to improve people's lives, we may need to look at reversing half a century of regressive taxation and raise wages from the bottom up.



While the wealthy have rode a four-decade-long gravy train, the story for most Canadians is that of falling real wages, diminished services, and economic insecurity, writes Carlo Fanelli. *Unsplash photograph by Towfiq Barbhuiya*

OPINION | BY CARLO FANELLI | January 22, 2024



A new [Oxfam report](#) finds that the fortunes of the five richest billionaires more than doubled from \$405- to \$869-billion over the last three years.

Meanwhile, the world's top 148 corporations' profits are up more than 50 per cent and closing in on \$2-trillion. At the same time, more than five billion people were added to the world's poor. But while the world's billionaires come under increased scrutiny, they are also busy at work launching a public relations campaign to avoid public outrage.

Consider Frank Stronach, who in a recent op-ed lays [blame](#) directly on the shoulders of public servants for today's economic woes. Why is this a problem? Apparently because public sector workers lead to bigger deficits and are a drag on economic growth.

---

#### SPONSORED CONTENT

Even if we ignore the fact that federal public sector employment accounts for 0.09 per cent of the total Canadian population, there are fewer federal workers today than there were 30 years ago—357,000 versus [382,000](#)—and that was when there were 10 million fewer Canadians around. The same rings true across virtually every level of [government](#), despite a global [pandemic](#) that added tens of thousands of workers to public health, employment and social services.



**The task force that could get things right for Canadian patients**

---

**What Canada's doctors want from Ottawa now**

There is also no [correlation](#) between economic performance and the size of government. It is not so much the size of the bureaucracy that matters, but how you use it. For instance, the use of “external” consultants has exploded over the last decade—70,000 federally in 2022-23 alone—as private firms [siphon](#) money from the public purse and shape government policy. Even the socialists over at the [International Monetary Fund](#) found that increased public investment rose output in both the short and long term, crowds in private investment, and lowers unemployment, with limited effect on the public debt ratio.

Stronach and like-minded policy [pundits](#) mourn the better days' past of the 1950s when public spending as a percentage of GDP stood at around 20 per cent. What's missing is that this was before the advent of publicly funded health care, pensions and old age security, let alone modern employment insurance, workers' compensation, education, child benefits,

and an array of social programs that virtually all Canadians [benefit](#) from. Carlo Fanelli is associate professor of work and labour studies in the department of social science at York University. *Photograph courtesy of Carlo Fanelli*

Total government expenditures as a percentage of GDP stand at around 42 per cent today—still lower than they were in the 1980s and 1990s, and, compared with other industrialized nations, on the lower middle [average](#).

## Get Weekend Point of View Newsletter

Top Canadian political and policy opinion and analysis. Saturdays and Sundays.

Weekends.

Please enter your email  SIGN UP

By entering your email address you consent to receive email from The Hill Times containing news, analysis, updates and offers. You may unsubscribe at any time. See our [privacy policy](#).

### RELATED POSTS

Behind buzzwords like cutting “red tape” and calls for “fiscal prudence” is naked neoliberalism—a fancy word for tax cuts, less government, fewer unions and regulations. But after 40 years, these policies have been a colossal [failure](#). Stronach even [suggests](#) we eliminate taxes for companies with as many as 400 workers, leaving the rest of us to pick up the tab. More the public policies that lead us to where we are today won’t solve today’s most pressing issues. Public-sector workers—as with unionized workers, younger workers, temporary, and immigrant workers—are easy scapegoats, because dealing with the root of the problem presents far greater challenges.

**Election promise tracker: key pledges parties are making this campaign**

**Everything’s coming up Carney: PM tops the year’s most valuable politician, newsmaker, and best book categories in The Hill Times’ annual All Politics Poll**

**Main estimates set out \$502.8-billion for 2026–27 as National Defence tops voted spending**

In a way, Stronach is right to look back at the 1950s and ’60s with admiration. In that time, the federal corporate tax rate stood at 40 per cent. Today it’s 15 per cent but most corporations pay [nowhere](#) near that as tax havens, bankruptcy protection laws, [price fixing](#), weak government transparency, [backroom deals](#), and massive public subsidies pad corporate profits. It was also a period in which business investment rose with wider stimulatory measures, but as [tax rates](#) fell, business investment in equipment, machinery, and intellectual property also declined.

Of course, there is no denying that value for money should be top of the agenda for all governments. Between 2007 and 2019, taxpayers spent a combined \$352-billion on [business subsidies](#). In the midst of the pandemic, Canada’s largest corporations reaped record [profits](#), rewarding themselves with bonuses and shareholder dividends while collecting public monies.

While workers lost their jobs, [CEO pay](#) reached record highs and corporations stashed cash, reaching more than \$600-billion in 2023, more than double what

it was just a decade ago. We are indeed in strange times when we've not only normalized, but also celebrate Canada's [Big Six banks](#) collectively earning \$60-billion annually as bank fees, mortgage rates, housing costs, and inflation make life miserable for so many.

While the wealthy have rode a four-decade-long gravy train, the story for most Canadians is that of [falling real wages](#), diminished services, and economic insecurity. And unions, once the measure of a "good job," experienced a business and government-led [assault](#) against wages and working conditions, which brought down earnings for everyone.

For half a century, billionaires have shifted the costs of taxation away from themselves and onto everyone else, convincing many detrimentally affected that this is in their best interest. We are witnessing, for the first time ever, the all-but-certain likelihood that today's generation will face a lower living standard than their parents. Eliminating every single public sector job wouldn't do a single thing to improve most people's lives. Reversing half a century of regressive taxation and raising wages from the bottom up might just be a start.

*Carlo Fanelli is associate professor of work and labour studies in the department of social science at York University. He teaches and conducts research in the areas of work and labour market restructuring, labour and employment law, political economy, and socioeconomic inequality.*

*The Hill Times*

---

See all stories BY [CARLO FANELLI](#)

---

FOLLOW THE HILL TIMES:

[LICENSING](#)   [PODCAST](#)   [ALERTS](#)

---

Want to make sure your whole office has the full *Hill Times* experience?

We have team plans available for companies, organizations, classes, Parliament Hill offices and more. [Fill out this form and find out if your team is eligible for a discount.](#)

---

**MORE OPINION**

**Unlocking economic growth through social purpose**

**Canada can be a leader in regulating 'forever chemicals' if we act now**

**OPINION** BY LAURA REINSBOROUGH

**What 'pragmatic' foreign policy means for a trading middle power**

**OPINION** BY MICHAEL HARVEY

**Health equity does not happen by accident**

**OPINION** BY SUELYN KNIGHT

**Investing in healthy work environments can help stem rising burnout among long-term care workers**

**OPINION** BY ISG SENATOR ROSA GALVEZ, MIKE ROWLANDS

**OPINION** BY CAROLE ESTABROOKS

**RELATED STORIES**

**There is a burnout crisis among LTC workers, trauma-informed workplaces are a solution**

**OPINION** BY CAROLE A. ESTABROOKS AND JANICE KEEFE

**Trend of increasing mental health challenges requires much more funding, say health sector experts**

**NEWS** BY JESSE CNOCKAERT

**Election promise tracker: key pledges parties are making this campaign**

**FEATURE** BY PETER MAZEREEUW, RIDDHI KACHHELA

**Burnout in health care experienced at much higher levels among women**

**OPINION** BY LESLEY BARRON

**Health minister won't commit to tabling safe long-term care bill**

**NEWS** BY TESSIE SANCI

**NEWS**

- Politics
- Foreign Policy
- Lobbying
- Legislation
- Policy Briefings
- Politics This Morning
- Hill Climbers
- Civil Circles
- Heard On The Hill
- Election
- Finance and Budget
- Public Service
- Exclusive Lists
- Parliamentary Calendar
- Top 100 Lists and Exclusive Features
- Podcasts
- This Week's Paper
- Search
- Archives
- Digital Newspaper Archives
- [Get free news updates](#)

**OPINION**

- Andrew Caddell
- Sheila Copps
- David Crane
- Jim Creskey
- Gwynne Dyer
- Matt Gurney
- Michael Harris
- Erica Ifill
- Scott Taylor
- Joe Jordan
- Rose LeMay
- Alex Marland
- Gerry Nicholls
- Gar Pardy
- Tim Powers
- Susan Riley
- Douglas Roche
- Ken Rubin
- Josie Sabatino
- Bhagwant Sandhu
- Les Whittington
- Nelson Wiseman
- [Submit a guest opinion article](#)

**RESOURCES**

- The Wire Report
- Hill Times Research Health
- The Lobby Monitor
- Parliament Now
- Inside Ottawa Directory
- Hill Times Careers
- Digital Newspaper Archives

**FOLLOW US**

- X
- BlueSky
- LinkedIn
- Flipboard

**ADVERTISE**

- Media Kit
- SUBSCRIBE**
- Group subscriptions
- Reuse and permissions

**GET HELP**

- About us
- Contact us
- Privacy Policy
- Reset Password
- Account settings
- © The Hill Times 2026