

Adjusting to Minimum Wage Increases – A 2025 Special Report



On April 1, minimum wage increases will take effect federally and amongst many jurisdictions, with the majority of provinces and territories following suit in months thereafter. Some provinces got a head start, increasing their minimum wage rates on October 1, 2024. Adjusting for these increases can create subtle and tricky challenges for payroll and HR. On its face, the adjustment appears pretty straightforward:

Hours Worked	Minimum Wage Rate Payable
Before Increase Date	Previous Minimum Wage
On Increase Date	At Least New Minimum Wage
After Increase Date	At Least New Minimum Wage

Example: Jenny, an Ontario mail clerk earning minimum wage has a bi-weekly pay period runs from Sunday, September 22 to Saturday, October 5. On Oct. 1, 2024, Ontario’s general minimum wage increased from \$16.55 to \$17.20 per hour. Jenny’s pay:

- September 22 to 30: \$16.55 per hour.
- October 1 and thereafter: \$17.20 per hour.

Pay Period Compliance Adjustments

The same principles apply in situations where compliance with the minimum wage is on a pay period basis, i.e., where the total earnings in the pay period, divided by the hours worked in the pay period, must be at least equal to the minimum wage. In these situations, minimum wage changes that take effect between the first and last days of the pay period, must be calculated separately:

- Earnings in the pay period before the minimum wage changed, divided by the corresponding hours, must be at least equal to the old minimum wage; AND
- Earnings in the pay period from the effective date of the minimum wage increase, divided by the corresponding hours, must be at least equal to the new minimum wage.

Scenario: Nigel sells electronics in a big box store subject to Newfoundland ESA law. He earns both an hourly wage and commissions on his sales. On April 1, 2024,

Newfoundland raised its minimum wage from \$15.00 to \$15.60 per hour. In the bi-weekly pay period from September 24 to October 7, Nigel makes a total of \$800 in hourly wages and commissions for 70 hours work.

Question: Has Nigel's employer met the Newfoundland minimum wage requirements? There are 2 things we need to know to answer that question:

- His earnings and hours of work from Sept. 24 to 30; AND
- His earnings and hours of work from Oct. 1 to 7.

Let's assume Nigel worked 35 hours in both periods but earned \$490 in the former period and \$560 in the latter period. Result:

- From Sept. 24 to 30, his wage rate was \$14 per hour ($\$490/35$), which is below the required \$15.00.
- From Oct. 1 to 7, his wage rate was \$16.00 per hour ($\$560/35$), which is above the required \$15.60.

Bottom Line

If you're in one of the provinces that just raised its minimum wage or will be raising its minimum wage starting April 1, make sure you get your pay calculations right for the pay period in which the rate increase took effect or will take effect.

Minimum Wages Rates Across Canada (as of April 1, 2025)

Jurisdiction	Minimum Wage (per hour unless otherwise indicated)
Federal	\$17.75 per hour or minimum wage of province of employment, whichever is higher.
Alberta	\$15.00 • Students ages 13-17 for work done during school breaks or first 28 hours per week of work done while not on break: \$13 per hour; additional hours per week beyond 28 hours: \$15 per hour. • Salespersons: \$598 per week. • Domestic workers: \$2,848 per month.
British Columbia	\$17.40 • Liquor Servers: \$17.40 per hour. • Live-in home support workers: \$124.73 per day or part day worked. • Live-in Camp Leaders: \$133.69 per day or part day worked. • Resident Caretakers of apt. buildings with 9 to 60 suites: \$1,002.53 per month + \$40.17 per suite. • Resident Caretakers of apt. buildings with >60 suites: \$3,414.85 per month. • Alternate Piece Rates for Harvest Workers: Depends on crop.
Manitoba	\$15.80 • Security Guard minimum wage eliminated in Oct. 2022.
New Brunswick	\$15.65
Newfoundland & Labrador	\$16.00
Northwest Territories	\$16.70
Nova Scotia	\$15.70
Nunavut	\$19.00

Jurisdiction	Minimum Wage (per hour unless otherwise indicated)
	\$17.20
	• Students under 18: \$16.20 per hour • Liquor servers: Eliminated—now receive general minimum wage
Ontario	• Hunting & fishing guides: \$86.00 per day (< 5 consecutive hours in a day) • Hunting & fishing guides: \$172.05 per day (5 or more hours in a day, whether or not consecutive) • Homeworkers: \$18.90 per hour
Prince Edward Island	\$16.00
	\$15.75
Québec	• Tip earners: \$12.60 per hour. • Raspberry pickers: \$4.68 per kg. • Strawberry pickers: \$1.25 per kg.
	*Minimum wage will increase to \$16.10 on May 1, 2025.
Saskatchewan	\$15.00
Yukon	\$17.59