Minimum Wage Increases Now In Effect Across Several Provinces



As of **October 1, 2025**, minimum wage rates have officially increased in several provinces. Employers should review their payroll practices to ensure they remain compliant with the new rates and related employment standards obligations.

New Minimum Wage Rates

The following provincial increases came into effect on October 1:

- **Ontario** – from $17.20 to **$17.60 per hour**
- **Manitoba** – from $15.80 to **$16.00 per hour**
- **Nova Scotia** – from $15.70 to **$16.50 per hour**
- **Prince Edward Island (PEI)** – from $16.00 to **$16.60 per hour**
- **Saskatchewan** – from $15.00 to **$15.35 per hour**

Ontario’s Minimum Wage Update

Ontario’s **general minimum wage** is now **$17.60 per hour**. This rate applies to most provincially regulated employees. Special minimum wage rules continue to apply to certain groups, including:

- Students under 18,
- Hunting, fishing, and wilderness guides,
- Homeworkers, and
- Employees paid partly or wholly on commission (whose total pay must meet or exceed minimum wage for every hour worked).

Employers should review the **Employment Standards Act (ESA) Guide** for details on these categories.

Employer Obligations

Employers must ensure all employees are paid at least the applicable minimum wage. There is **no legal requirement** to increase wages for employees already earning above the new minimum.

Non-compliance can expose employers to:

- Ministry of Labour complaints,
- Orders to repay unpaid wages, and
- Penalties for ESA breaches.

Since employees have up to **two years** to bring a claim, it's critical that payroll practices reflect current wage standards.

Remote Work Considerations

With more employees working remotely, employers should be aware that **minimum wage requirements depend on the province where the employee physically performs the work**, not the employer's location. This means payroll compliance may vary within a single workforce if employees are spread across multiple provinces.

Key Takeaways for Employers

- **Review employment contracts and payroll systems** to confirm compliance with the October 1, 2025 wage increases.
- **Note exemptions**: some categories of workers remain subject to special wage rules.
- **Plan ahead**: minimum wage changes are typically announced in the spring and take effect on or about October 1 each year.
- **Stay current**: employees can file ESA claims for up to two years, so ongoing compliance avoids unexpected backpay obligations.
- **Account for remote work**: apply the employment standards of the province where employees are working.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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