



What We Heard Report

Annual Minimum Wage Survey

April 2025

K'áhshó got'jne xadā k'é hederi ɬedjhtl'é yeriniwə nɪ dé dúle.
Dene Kádá

ʔerihth'ís Dēne Sų́líné yatı t'a huts'elkēr xa beyáyatı theɬą ɬat'e, nuwe ts'ēn yóftı.
Dēne Sų́líné

Edı gondı dehgháh got'je zhatié k'éé edatf'éh enahddhə nide naxets'é edahfı.
Dene Zhatié

Jii gwandak izhii ginjik vat'atr'ijahch'uu zhit yinoththan jı', diits'at ginokhıi.
Dinjii Zhu' Ginjik

Uvanittuaq ilitchurisukupku Inuvialuktun, ququaqluta.
Inuvialuktun

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Inuktitut

Hapkua titiqqat pijumagupkit Inuinnaqtun, uvaptinnut hivajarlutit.
Inuinnaqtun

kīspin ki nitawihthīn ē nīhīyawihk ōma ācimōwin, tipwāsinān.
nēhiyawēwīn

Tłıchq yatı k'èè. Dı wegodı newq dè, gots'o gonede.
Tłıchq

Indigenous Languages
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Une version française de ce document est disponible.

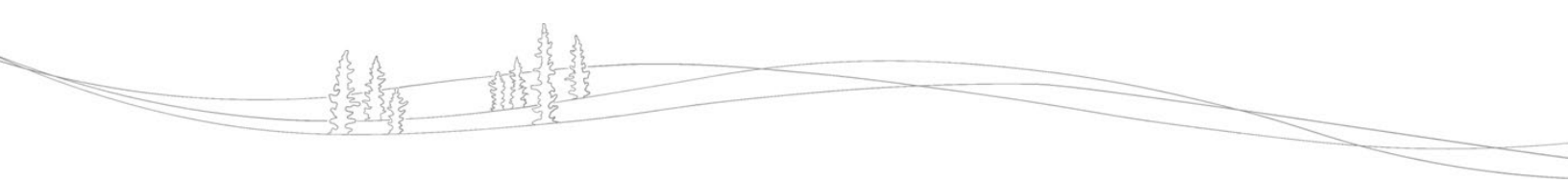
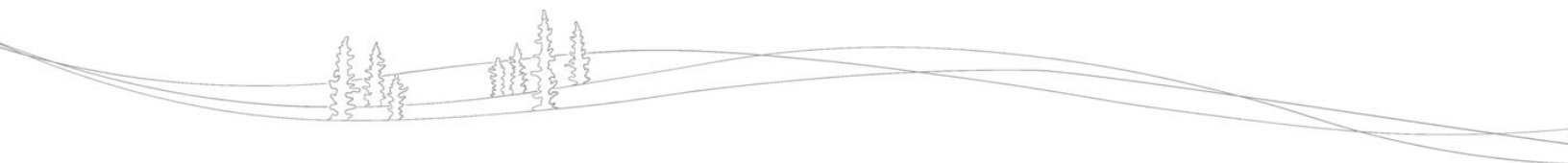


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Executive Summary

The minimum wage rate in the Northwest Territories (NWT) is adjusted annually on September 1 using a formula based on the percentage change in the Consumer Price Index (CPI) for Yellowknife and the percentage change in the average hourly wage (AHW) in the NWT for the preceding calendar year. This change was announced in 2022 to increase transparency in decision-making and allow the minimum wage to keep up with increasing costs for NWT residents and other jurisdictions in Canada.

It is important for the Government of the Northwest Territories (GNWT) to hear from residents – particularly employees and employers – on the impacts of changes to the minimum wage rate. To accomplish this, the Department of Education, Culture and Employment (ECE) seeks feedback through a public survey every year to ensure we have a strong understanding of employer/employee interests and to inform the Minister of these perspectives.

ECE engaged with residents through an online survey that was [available on the GNWT's Open Engagement Portal](#) from January 30 to February 27, 2025. In total, 250 individuals completed the survey, including 210 employees, 29 employers, and 11 respondents who identified as 'other'.

The majority of respondents agreed with the minimum wage being adjusted annually based on statistical indicators such as the CPI and the average hourly wage.

Overall, employees' survey responses were similar to responses received by employees in 2024. Employees felt that the increase to the minimum wage rate in 2024 using the formula was too low and that changes to the cost of living is the most important factor to consider in setting the minimum wage. Many employees commented that the minimum wage should be a living wage.

Employers' responses differed from 2024. Compared to last year, employers were more likely to think the minimum wage increase in 2024 was too high, and the most important factor when it comes to setting the minimum wage was the impact of increased costs on employers. Employers were also more likely to disagree with the minimum wage being increased annually based on statistical indicators than in 2024.

Respondents highlighted several additional concerns that impact the cost of living in the NWT and make it hard for workers to make ends meet.

The minimum wage rate will be adjusted on September 1, 2025, using the formula based on the percentage change in the CPI for Yellowknife and the percentage change in the average hourly wage in the NWT for 2024, unless the Minister chooses to prescribe a different rate.

ECE will seek public feedback again following the September 1, 2025 adjustment to the minimum wage rate.

Background

The minimum wage is the lowest wage rate that an employer can legally pay an employee. In the NWT, minimum wage earners are more likely to be between the ages of 15 to 24 years old, and to live in Yellowknife¹. They also tend to work fewer hours per week than those with higher hourly wage rates (see Appendix A).

The Minister of ECE has the authority to determine and prescribe the minimum wage rate in the NWT, in accordance with the *Employment Standards Act* (the Act) and Regulations.

In 2013, the Minister of ECE established a Minimum Wage Committee to advise on whether changes to the rate were required. The Committee was formed with a mandate to review and consider a range of social and economic factors and recommend adjustments to the minimum wage, as appropriate.

From 2013 to 2022, the Minimum Wage Committee conducted biannual reviews of the NWT's minimum wage rate and provided options for adjustment to the Minister. During its tenure, the Minimum Wage Committee produced three reports, in 2014, 2017 and 2020, and the minimum wage increased from \$10.00 to \$15.20 per hour.

In response to concerns from Members of the 19th Legislative Assembly regarding a lack of transparency in the process and to allow for gradual increases to the minimum wage, in 2022, the [Minister of ECE introduced a new approach](#) to determining the minimum wage.

The minimum wage is now adjusted annually using a formula based on the percentage change in the CPI for Yellowknife² and the percentage change in the average hourly wage in the NWT for the preceding calendar year.

Calculating minimum wage using annual formula-based adjustments is intended to:

- keep up with the increasing costs for NWT residents
- keep up with other jurisdictions' minimum wage rates
- enable businesses to better plan for increases to the minimum wage rate
- help ensure the lowest earners receive a pay raise each year
- increase transparency in government decision-making

Following the shift to formula-based adjustments in 2022, the GNWT committed to conducting public surveys each year.

¹ Source: NWT Bureau of Statistics, Earnings and Wages, Employee Wage Distribution by Select Characteristic, 2023. (<https://www.statsnwt.ca/labour-income/earnings-and-wages/Table%20WGS102%20Employee%20wage%20distribution%20by%20select%20characteristic%202023.xlsx>)

² In the NWT, the Consumer Price Index is only calculated for Yellowknife.

The first annual survey was done in January 2024. Nearly 200 employees and more than 30 employers provided their insights. A [What We Heard Report](#) summarizes the feedback received during engagement.

There have been two adjustments to the minimum wage rate in the NWT using the formula:

- September 1, 2023: \$16.05
- September 1, 2024: \$16.70

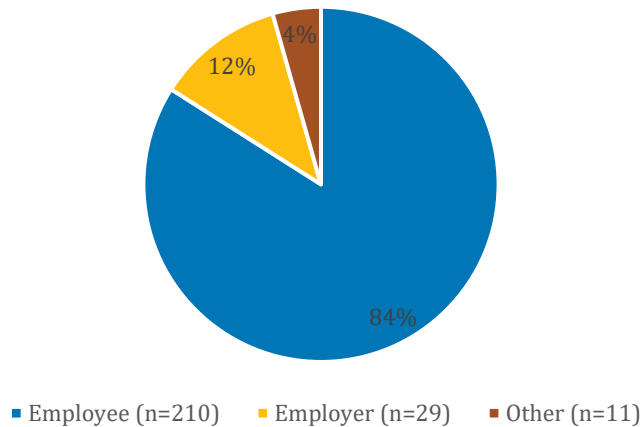
Many jurisdictions in Canada base their minimum wage rates on statistical indicators like the CPI. Others have made scheduled periodic increases over the last few years, to bring their minimum wage rates above \$15.00 per hour. A table summarizing the minimum wage rates and setting mechanisms across Canada is provided in Appendix B.

Methodology

An online survey was available on the GNWT’s Open Engagement Portal from January 30 to February 27, 2025. Approaches used to inform the public of the engagement included a public service announcement, posters, email correspondence to interested groups³, and social media content posted on the ECE and GNWT Facebook pages. The survey was also advertised on ECE’s website homepage and through the GNWT’s BearNet newsletter.

In total, 250 individuals completed the survey, including 210 employees, 29 employers, and 11 respondents who identified as ‘other’⁴.

Survey Respondents by Group Type



Due to the limited number of survey responses, particularly from employers, the results of this engagement should be interpreted as exploratory insights rather than generalizable findings. While the perspectives shared offer meaningful input, they are not statistically representative of the broader population of employees and employers in the Northwest Territories

Not all employees who work in the NWT fall under the jurisdiction of the *Employment Standards Act*. The Act does not apply to federal government employees, public servants (i.e., GNWT employees) or workers in federally regulated industries such as airlines, banks, and most telecommunications operations.

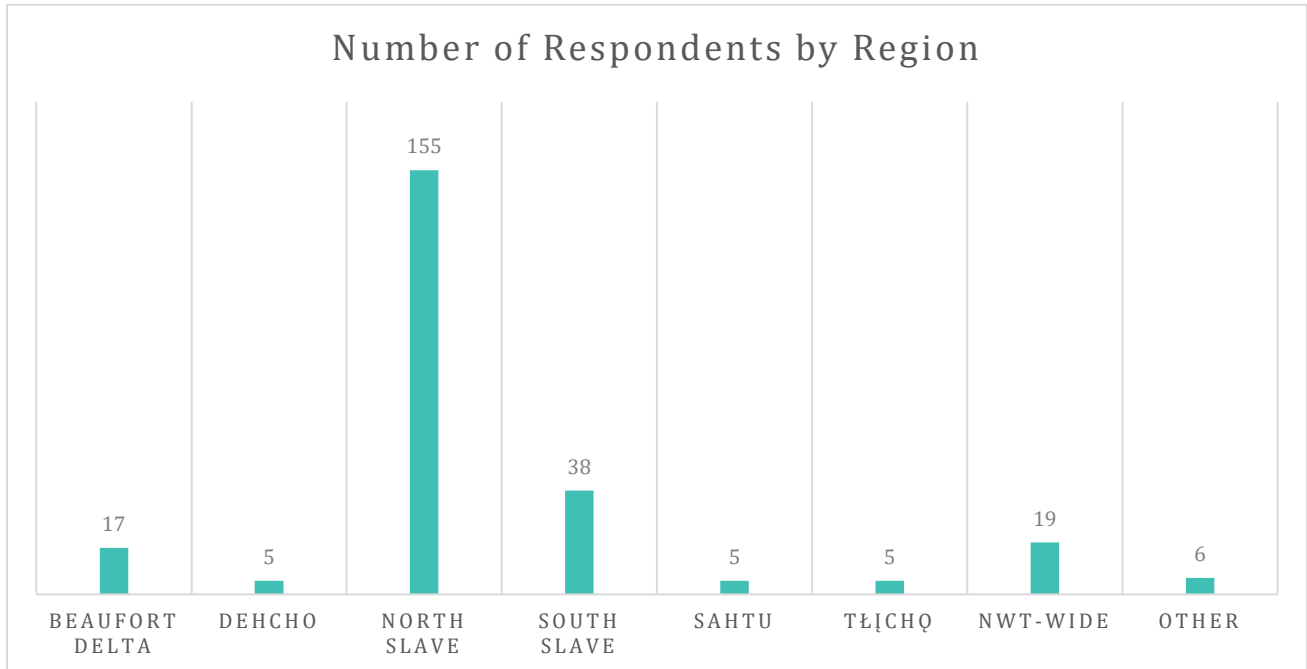
As the survey did not differentiate between types of employees or employers, several respondents may not in fact be subject to the Act. Even so, their perspectives are included for the purposes of

³ E.g. NWT employers, chambers, industry associations, labour organizations, etc.

⁴ Of the eleven (11) respondents who answered ‘Other’, four (4) specified that they identified as “self-employed” or “sole proprietor”; and two (2) specified that they identified as “GNWT” or “government” employees. The remaining six (6) respondents identified as “legal”, Inuvik, “retired” “looking for work” and “unemployed”.

this engagement, as they perform work or operate in the NWT, and the Act and Regulations may have applied to them in the past or may apply to them in future employment.

Respondents were asked which region of the NWT they do most of their work and responses were received from all regions of the territory. The majority of respondents indicated they perform work in the North Slave region (62%), followed by the South Slave (15.2%). As some employers have projects in more than one region in the NWT at a time, “NWT-wide (All Regions)” was included as a category.



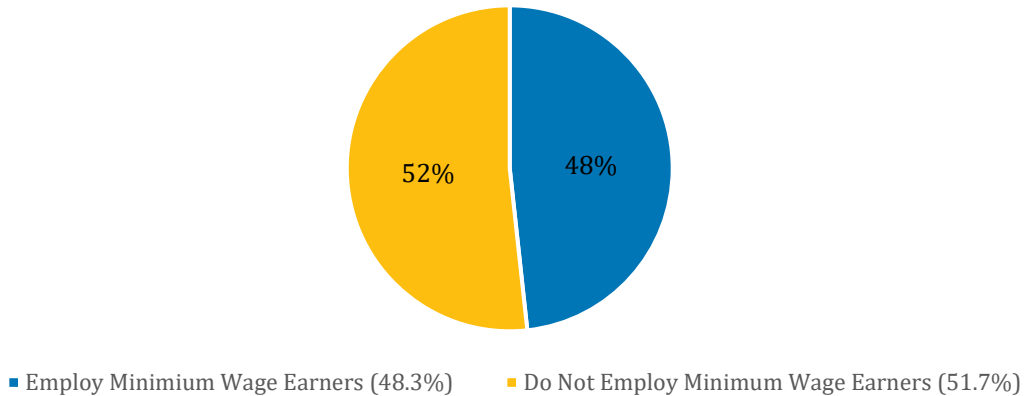
To distinguish the perspectives of respondents who are impacted most by changes to the minimum wage, respondents who identified themselves as employees were asked about their hourly wage, and respondents who identified themselves as employers were asked whether they employed minimum wage earners.

ECE considered employees who earned between \$16.70 and \$20.00⁵ per hour, and employers who employ minimum wage earners, to be those most impacted by changes to the minimum wage. Only sixteen employee respondents earned between \$16.70 and \$20.00 per hour, while nearly half of the employer respondents said they employed minimum wage earners. The responses from these groups have been included in this report where they differ significantly from the employee or

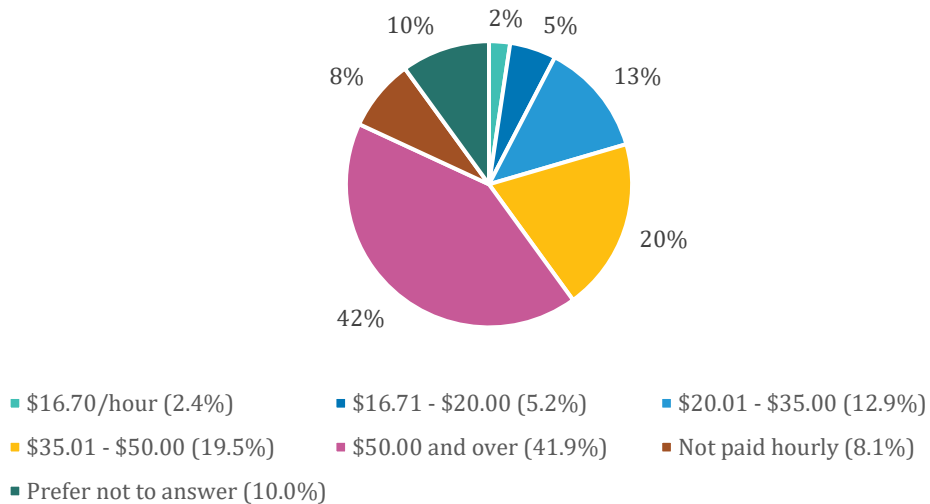
⁵ According to research on spillover effects of minimum wage increases, raises to the minimum wage can result in wage increases to low-wage earners. Source: Report of the Expert Panel on Modern Federal Labour Standards, June 2019. (<https://www.canada.ca/content/dam/canada/employment-social-development/services/labour-standards/reports/expert-panel-final/expert-panel-final-report-20190826.pdf>)

employer group as a whole. Given the response rates for these groups are low, they should be interpreted as exploratory insights as opposed to generalizable findings.

Percentage of Respondents by Employers Who Employ Minimum Wage Earners



Percentage of Respondents by Hourly Wage



What We Heard

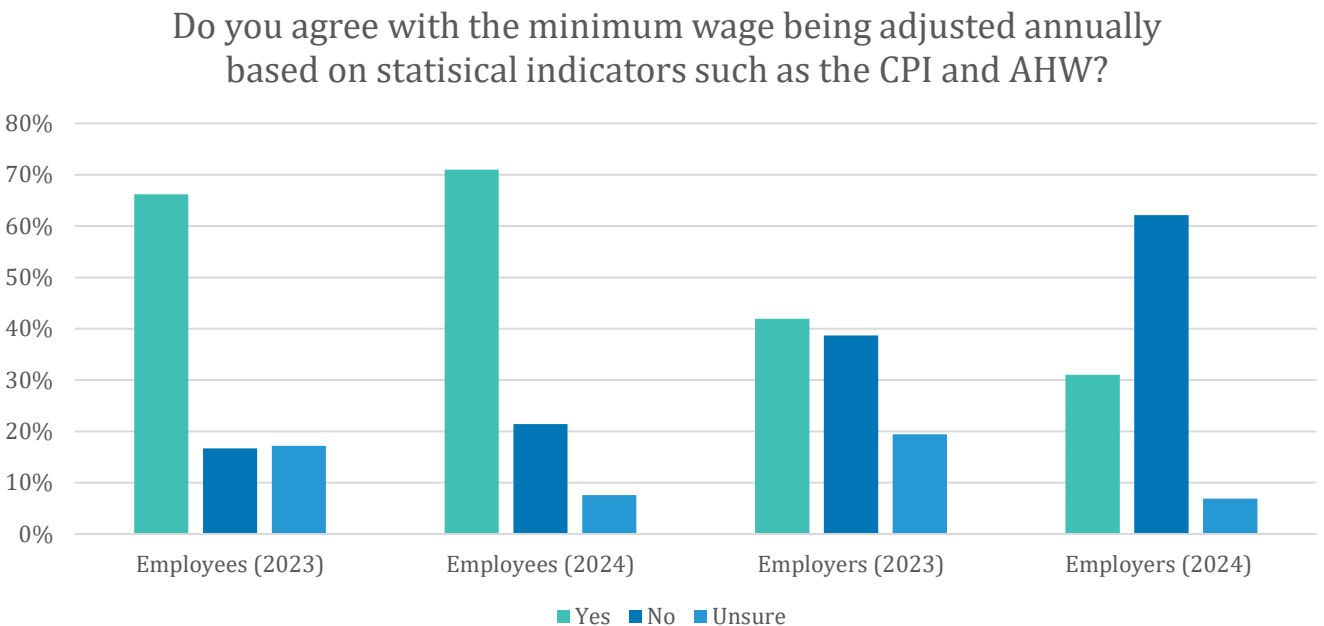
This section summarizes the survey responses of employees and employers based on the questions in the survey related to the minimum wage.

Budgeting and Planning

Employers were asked whether the shift to an annual formula-based adjustment has been helpful for budgeting and planning purposes. Around a third (34.5%) of all employer respondents found the shift to an annual formula-based adjustment was helpful for budgeting purposes. This was a slight increase from last year, when only a quarter of employer respondents found the shift to be helpful for budgeting. Around half (42.9%) of employers who employ minimum wage earners found the change to a yearly increase assisted their financial planning, which was about the same as last year (45.5%).

Adjusting the Minimum Wage Based on Statistical Indicators

The majority of all respondents (66.4%) indicated that they agreed with the minimum wage being adjusted annually based on statistical indicators such as the CPI and the average hourly wage. However, most employers disagreed with this approach (62.1%); an increase from 2024 when 54.5% of employers indicated they disagreed. Employers who employ minimum wage earners disagreed with this approach more strongly; 71.4% indicated they did not agree with annual formula-based adjustments.

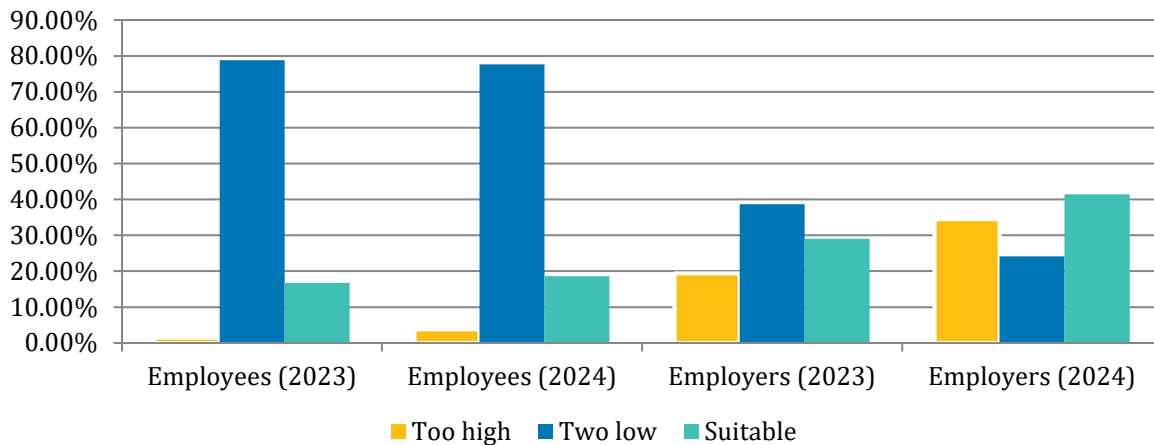


Minimum Wage Increase in 2024

On September 1, 2024, the minimum wage went up \$0.65, from \$16.05 to \$16.70 per hour.

Respondents were asked how they felt about the 2024 minimum wage increase. The vast majority of employees (77.6%) thought the increase was too low. Three-quarters of employers thought the increase was either too high (34.5%) or suitable (41.4%), while 24.1% thought the increase was too low. Half of employers who employ minimum wage earners (50%) thought the increase was too high and 35.7% thought the increase was suitable.

How all employees felt about the 2023 and 2024 minimum wage increases?



Last year, only 19.4% of employers and 27.3% employers who employ minimum wage earners thought the 2023 minimum wage increase was too high. This is notable as the increase to the minimum wage was larger in 2023 (\$0.85). As noted in the next two sections, this may be due to increased costs employers experience as a result of increases to the minimum wage.

Ranking Minimum Wage Factors

Respondents were asked to rank the importance of eight factors when it comes to setting the minimum wage rate. Employees ranked “cost of living changes” as the most important, while employers ranked “impact of increased costs on employer” as the most important. This represented a change from last year; in 2023, both employees and employers ranked “cost of living changes” as most important.

Employees ranked “higher wages for employees” as the second most important factor, while employers ranked “cost of living changes” second. “Other jurisdictions’ minimum wage rates” was ranked the least important by both employees and employers.

In the 2023 minimum wage survey, respondents noted a couple of additional factors that they considered important in determining the minimum wage in the NWT; “community/regional differences in the cost of living” and “Type of employment (e.g. part-time, full-time, young worker,

service industry worker etc.)”. These two factors were included in this year’s survey. Employees ranked “community/regional differences in the cost of living” as the third most important factor.

Interestingly, employees who earned between \$16.70 and \$20.00 per hour ranked “impact of increased costs on employer” higher than the overall employee respondent group, ranking it 4th most important.

What are the most important factors to consider when setting the minimum wage in the NWT? Please rank the following factors, with 1 being the most important:			
<u>Employees</u>		<u>Employers</u>	
<u>Factor</u>	<u>Average Rank</u>	<u>Factor</u>	<u>Average Rank</u>
Cost of living changes	2.02	Impact of increased costs on employer	2.90
Higher wages for employees	3.48	Cost of living changes	3.31
Community/regional differences in the cost of living	4.05	Economic growth	3.97
Economic growth	4.61	Average wage rates in the NWT	4.38
Average wage rates in the NWT	4.61	Higher wages for employees	4.90
Impact of increased costs on employer	5.45	Community/regional differences in the cost of living	5.34
Type of employment (i.e. part-time, full-time, young worker, service industry worker etc.)	5.70	Type of employment (i.e. part-time, full-time, young worker, service industry worker etc.)	5.52
Other jurisdictions’ minimum wage rates	6.09	Other jurisdictions’ minimum wage rates	5.69

Additional Comments

Respondents were asked whether they had additional comments. These comments have been paraphrased and organized by theme. Like last year, around half of the overall comments received were focused on either the high cost of living or the desire for the minimum wage to be a living wage in the NWT.

Cost of Living

- Many employees emphasized the high cost of living in the NWT and thought the minimum wage should better reflect this.

Living Wage

- Several employees commented that the minimum wage should be a 'living wage'⁶, and some thought the minimum wage was keeping people in poverty.
- Some employees noted workers need to work multiple jobs to make ends meet.
- Other employees simply thought the minimum wage should be higher:
 - when compared to other jurisdictions
 - than what a person receives on Income Assistance
 - because of current global realities (e.g. tariffs)

Cost to Employers, Employees, and Consumers

- Some respondents highlighted that the NWT is an expensive place to operate and costs for employers go up when the minimum wage increases.
- Employers expressed that increased costs caused by the minimum wage can result in job losses, reduced hours for employees, and negative impacts on entry-level opportunities.
- Some employees noted that increases to the minimum wage drive up other costs for the public.

Minimum Wage for Unskilled Workers

- Some respondents noted the minimum wage is intended for unskilled, entry level jobs, and to earn more, employees needed to get training or education.
- Some thought minimum wage increases only benefited youth, who are living at home.

Systemic Changes

- Respondents noted other systemic changes the GNWT needs to make to help low wage earners afford life in the NWT, such as:
 - Rent caps
 - Lower payroll taxes
 - Address the housing crisis
 - Invest in roads (accessibility)

⁶ A "living wage" is the hourly wage a worker needs to earn to cover their basic expenses and participate in their community. Source: Living Wage Canada (<https://www.livingwage.ca/>)

- High power/diesel rates

Next Steps

The feedback shared during this engagement is important as it gives ECE insight into perspectives on the minimum wage from year to year. The feedback received this year reinforced that the cost of living in the NWT remains a significant concern for residents, and highlighted how changes to the minimum wage might interact with other systemic issues in the NWT.

The minimum wage will be adjusted on September 1, 2025, using the formula based on the percentage change in the CPI for Yellowknife and the percentage change in the average hourly wage in the NWT for 2023, unless the Minister chooses to prescribe a different rate.

ECE will seek public feedback again following the September 1, 2025 adjustment to the minimum wage rate.

APPENDIX A

Average Weekly Hours by Hourly Wage Distribution	
Northwest Territories, 2023	
Hourly Wage	Weekly Hours
Less than \$15.99	21.3
\$16.00 - \$16.99	26.8
\$17.00 - \$19.99	24.7
\$20.00 - \$29.99	37.3
\$30.00 - \$39.99	39.9
\$40.00 - \$49.99	38.0
\$50.00 and over	37.9
Source: Statistics Canada, Labour Force Survey - Custom Tabulation	

APPENDIX B

Minimum wage rates and how they are set in each Canadian Province and Territory (as of April 01, 2025)

Jurisdiction	Current Rate	Effective Date	Change Method
NWT	\$16.70	Sept 1, 2024	Annual adjustment using formula based on CPI and AHW
Alberta	\$15.00	Oct 1, 2018	Ad hoc
British Columbia	\$17.40 \$17.85	June 1, 2024 June 1, 2025	Adjusted annually based on BC's CPI
Canada	\$17.75	April 1, 2025	Adjusted on April 1st based on Canada's CPI for the previous calendar year. Where a province or territory's minimum wage rate is higher, the higher rate will apply.
Manitoba	\$15.80	Oct 1, 2024	Indexed to annual provincial CPI (with a clause preventing decreases)
New Brunswick	\$15.65	April 1, 2025	Scheduled to increase annually by CPI
Newfoundland & Labrador	\$16.00	April 1, 2025	Minimum Wage Review Committee
Nova Scotia	\$15.70 \$16.50	April 1, 2025 Oct 1, 2025	Adjusted annually with inflation plus an additional 1% annually; additional scheduled increase on Oct 1, 2025
Nunavut	\$19.00	Jan 1, 2024	Ad hoc
Ontario	\$17.20 \$17.60	Oct 1, 2024 Oct 1, 2025	Indexed to annual provincial CPI beginning in 2020 (with a clause preventing decreases)
PEI	\$16.00	Oct 1, 2024	Ad hoc; Annual review of rates incl. consideration of economic factors, public consultation
Quebec	\$15.75 \$16.10	May 1, 2023 May 1, 2025	Formula that is based on 49% of average earnings
Saskatchewan	\$15.00	Oct 1, 2024	Typically, formula based on CPI and average hourly wage.
Yukon	\$17.94	April 1, 2025	Scheduled to increase annually by CPI until April 2025