



Department of Justice
Government of Nunavut

Minimum Wage Rate

Annual Report

2025

Background Information

The Nunavut *Labour Standards Act* (the “Act”) regulates employment relationships that fall under territorial jurisdiction. The Act establishes basic minimum standards of compensation and conditions of employment, including the establishment of a minimum wage rate. Nunavut’s minimum wage rate may also apply to federal employees working in the territory, as the *Canada Labour Code* states that federal workers must be paid the higher of the federal minimum wage rate or the rate of the province or territory where the work is performed.

The minimum wage rate is the lowest rate that an employer can pay to employees working on an hourly basis. One of the main purposes of establishing a minimum wage rate is to protect non-unionized workers in unskilled jobs from exploitation. The minimum wage rate requires review and adjustments from time to time to consider changing economic and/or social conditions. The minimum wage rate in Nunavut is prescribed in section 12 of the Act and may be revised in the Act’s *Wages Regulations*.

In 2002, the Act was amended to require the Minister of Justice to review the minimum wage rate annually and report the results to the Legislative Assembly (section 12.1 of the Act). This report has been prepared in accordance with that requirement.

Minimum Wage Rate in Nunavut

As of December 31, 2025, the minimum wage rate in Nunavut was **\$19.75 per hour**.

Review of the Minimum Wage Rate

Analysis and increase in 2025

Nunavut's minimum wage rate was adjusted effective **September 1, 2025**, when it increased from \$19.00 to \$19.75 per hour.

The increase was the first following amendments to the *Wages Regulations* in April 2025 implementing an annual adjustment formula to adjust the minimum wage rate every year on September 1st. The formula establishes the new minimum wage rate using changes to the Consumer Price Index ("CPI") for Iqaluit and the annual average hourly rate of wages (excluding overtime) in Nunavut from the previous year. Both data sets are published annually by Statistics Canada:

Figures to calculate minimum wage rate:

- Annual average hourly rate of wages for 2024 = \$39.66
- Annual average hourly rate of wages for 2023 = \$37.30
- Consumer price index for Iqaluit for 2024 = 144.1
- Consumer price index for Iqaluit for 2023 = 141.9
- Minimum wage in effect on August 31, 2025 = \$19.00

Minimum wage rate effective on September 1, 2025 = \$19.75

The formula under the *Wages Regulations* is:

$$AMW = \left[\left(\frac{AHW1}{2 \times AHW2} \right) + \left(\frac{CPI1}{2 \times CPI2} \right) \right] \times PMW$$

"AMW" is the adjusted minimum rate of wages, rounded to the nearest cent;

"AHW1" is the annual average hourly rate of wages for the previous calendar year;

"AHW2" is the annual average hourly rate of wages for the calendar year immediately preceding the calendar year in AHW1;

"CPI1" is the consumer price index for the previous calendar year;

"CPI2" is the consumer price index for the calendar year immediately preceding the calendar year in CPI1;

"PMW" is the minimum rate of wages in effect on August 31.

The implementation of an annual adjustment formula:

- allows Nunavut's minimum wage rate to respond to annual fluctuations in the territory's economic and labour environments;
- provides stability and certainty for Nunavut employers, by enhancing businesses' abilities to plan for minimum wage adjustments and absorb the impact of minimum wage rate increases, as annual increases will be smaller compared to those implemented after large-scale assessments;
- ensures employees earning minimum wage receive regular, anticipated pay increases; and
- better assists Nunavummiut with managing increases to the cost of living in the territory.

Prior to the amendments, the Department of Justice conducted periodic reviews of the minimum wage, which included analyzing data, contacting businesses and running surveys, followed by proposed increases based on the results. Due to the resources required to conduct the reviews, they were completed every 3 to 5 years (see **Table 2**). This process led to relatively large increases spread between long stretches of no changes as well as differing methods and metrics used over time and across governments. To address this, the Government of Nunavut adopted a formula to make incremental changes to the rate on an annual basis to improve predictability, frequency, and transparency of adjustments.

Consumer Price Index: Consumer Price Index ("CPI") is a measure of inflation. It measures change in consumer prices over a period of time. The CPI compares the cost of a fixed basket of commodities from one year to the next. Statistics Canada collects and records price data on a monthly basis. The percentage change from one point in time to the next is known as the "rate of inflation" (or "rate of deflation" if there is a decrease).

CPI data for Nunavut is limited to Iqaluit, since no Nunavut-wide measures are available. Iqaluit data for CPI may not necessarily reflect inflation and the cost-of-living changes in all 25 communities of Nunavut. According to Statistics Canada, the annual average CPI for Iqaluit increased by 1.6% from 2023 to 2024. This compares to a 2.4% increase in Canada's national CPI over the same period. **Table 3** below shows annual CPI average for Iqaluit from 2005 to 2025.

Average Hourly Wage: Average Hourly Wage ("AHW") is a measure of labour costs, which is a key component of measuring inflation, and helps provide insight into cost and standard of living. It is

calculated by averaging the wages of employees who are paid by the hour (as opposed to salaried employees) across various industries. Statistics Canada collects and records hourly wage data on a monthly basis.

The Department of Justice will complete a calculation for the next increase effective September 1, 2026, based on data released by Statistics Canada in early 2026. Under the Wages Regulations, the Minister is required to announce the applicable minimum wage rate by July 31.

National Trends for 2025

Minimum Wage Rates:

All Canadian provinces and territories except Alberta and Prince Edward Island use an annual adjustment formula for their minimum wage rates. At the end of 2025, Nunavut maintained the highest minimum wage rate in Canada, at \$19.75 per hour (see **Table 1**). All other jurisdictions except Alberta increased their minimum wage rates in 2025, with Yukon having the second-highest rate (\$17.94) as of April 1, 2025. In contrast, Alberta (\$15) and Saskatchewan (\$15.35) had the lowest minimum wage rates in the country in 2025. The 2025 average minimum wage rate from across Canada (including federal) was \$16.75.

Consumer Price Index:

According to Statistics Canada's *Consumer Price Index: Annual review, 2025* (released on January 19, 2026) prices rose +2.1% on an annual average basis in 2025, compared with +2.4% in 2024. Despite a lower increase, prices remained elevated in 2025, rising 19.9% over the past five years. For 2025, the agency highlighted lower energy prices (-5.7%), following a slight decrease in 2024 (-0.6%) and higher grocery prices (+3.5%) compared to 2024 (+2.2%).

Average Hourly Wage Rates:

Statistics Canada measures average hourly wages using data from various surveys and sources and considering the number of employees paid by the hour, average weekly hours data, and gross taxable payroll earnings before source deductions. Canada's annual average hourly earnings rose +3.1% in 2025 (from \$30.30 in 2024 to \$31.24 in 2025). Nunavut increased slightly above the national average at +3.4% in 2025.

Comparing Minimum Wage to Income Assistance

An important policy reason for setting a minimum wage is to provide a meaningful financial incentive for people to enter the workforce rather than remain on Income Assistance. To do so, earnings from the minimum wage rate must be high enough compared to amounts received through Income Assistance to encourage those who are able to work to seek employment.

At a minimum wage rate of \$19.75 per hour, Nunavummiut earning the minimum wage earn the following gross monthly income (based on a 40-hour work week):

- Single Family Member working at minimum wage \$3,423
- Two Family Members working at minimum wage \$6,847

Unlike wage income, the amount of Income Assistance a client can receive depends on the number of family members and the community in which they reside. Below are the range of figures for the monthly basic benefits from low to high, which vary depending on the community:

- Single Family Member \$914 to \$1,048
- Two Family Members \$1,024 to \$1,160
- Three Family Members \$1,446 to \$1,637
- Four Family Members \$1,840 to \$2,081
- Ten Family Members \$3,589 to \$4,037

Statistical Information

Table 1	Minimum Wage Rates in Canada as of December 31, 2025
Table 2	Minimum Wage Rate Changes in Nunavut Since 1999
Table 3	Average Annual Consumer Price Index for Iqaluit, 2005 to 2025
Table 4	Annual Average Hourly Wage for Nunavut, 2005 to 2025

Table 1: Minimum Wage Rates in Canada as at December 31, 2025

JURISDICTION*	HOURLY RATE	EFFECTIVE DATE
Federal	\$17.75 (or higher to match province or territory rate)	April 1, 2025
Alberta	\$15.00	October 1, 2018
British Columbia	\$17.85	June 1, 2025
Manitoba	\$16.00	October 1, 2025
New Brunswick	\$15.65	April 1, 2025
Newfoundland & Labrador	\$16.00	April 1, 2025
Northwest Territories	\$16.95	September 1, 2025
Nova Scotia	\$16.50	October 1, 2025
Nunavut	\$19.75	September 1, 2025
Ontario	\$17.60	October 1, 2025
Prince Edward Island	\$16.00	October 1, 2025
Quebec	\$16.10	May 1, 2025
Saskatchewan	\$15.35	October 1, 2025
Yukon	\$17.94	April 1, 2025

*Note: The above are the general minimum wage rates in each jurisdiction. Some jurisdictions have different rates based on regional and occupational considerations and some have lower rates for students, inexperienced workers, and/or employees receiving gratuities.

Table 2: Minimum Wage Rate Changes in Nunavut Since 1999

HOURLY RATE	EFFECTIVE DATE	INCREASE	% CHANGE
\$7.00/\$6.50*	April 1, 1999	n/a	n/a
\$8.50	March 3, 2003	\$1.50/\$2.00	21.4%/30.8%
\$10.00	September 5, 2008	\$1.50	17.7%
\$11.00	January 1, 2011	\$1.00	10.0%
\$13.00	April 1, 2016	\$2.00	18.2%
\$16.00	April 1, 2020	\$3.00	23.0%
\$19.00	January 1, 2024	\$3.00	18.8%
\$19.75	September 1, 2025**	\$0.75	3.9%

*Note: From 1999 to 2003, based on the previous laws of the Northwest Territories, Nunavut had two minimum wage rates for adults with \$7.00 per hour applying to employees 16 years of age or older and \$6.50 per hour applying to employees 16 years of age or older in areas “distant from the highway system”.

**Note: September 2025 was the first increase using the set formula following the April 2025 amendments to the *Wages Regulations*.

Table 3: Annual Average Consumer Price Index for Iqaluit, 2005 to 2025

YEAR	ANNUAL AVERAGE	% CHANGE FROM PREVIOUS YEAR
2005	102.9	+1.7%
2006	104.6	+1.7%
2007	107.9	+3.2%
2008	110.4	+2.3%
2009	112.6	+2%
2010	111.8	-0.7%
2011	113.4	+1.4%
2012	115.3	+1.7%
2013	116.6	+1.1%
2014	118.1	+1.3%
2015	120.4	+1.9%
2016	123.4	+2.5%
2017	125.4	+1.6%
2018	129.2	+3.0%
2019	131.4	+1.7%
2020	132.4	+0.8%
2021	133.2	+0.6%
2022	138.4	+3.9%
2023	141.9	+2.5%
2024	144.1	+1.6%
2025	145.3	+0.8%

Source: Statistics Canada, Table 18-10-0005-01 *Consumer Price Index, annual average, not seasonally adjusted*

Table 4: Annual Average Hourly Wage for Nunavut, 2005 to 2025

YEAR	ANNUAL AVERAGE	% CHANGE FROM PREVIOUS YEAR
2005	20.16	+2.3
2006	21.95	+8.9
2007	23.49	+7.0
2008	23.26	-1.0
2009	24.57	+5.6
2010	24.60	+0.1
2011	25.56	+0.39
2012	29.19	+14.2
2013	28.85	-1.2
2014	28.46	-1.4
2015	28.70	+0.8
2016	29.96	+4.4
2017	30.20	+0.8
2018	30.82	+2.1
2019	33.14	+7.5
2020	36.11	+9.0
2021	34.83	-3.5
2022	35.83	+2.9
2023	37.30	+4.1
2024	39.66	+6.3
2025	41.00	+3.4

Source: Statistics Canada, Table 14-10-0206-01 *Average hourly earnings for employees paid by the hour, by industry, annual*