



# What's New in HR Law

## Ontario Minimum Wage Set to Increase October 1, 2021

September 30, 2021

### Bottom Line

On October 1, 2021, the general minimum wage in Ontario will increase from \$14.25 to \$14.35 per hour. Numerous specialized wage rates will also take effect on this date, including the following:

- Student minimum wage for students under the age of 18 who work 28 hours a week or less when school is in session, or work during a school break or summer holidays, will increase from \$13.40 to \$13.50 per hour.
- Employees who serve liquor directly to customers, guests, members or patrons in licensed premises as a regular part of their employment and who regularly receive tips or other gratuities as part of their work will see a minimum wage increase from \$12.45 to \$12.55 per hour.
- Hunting, fishing and/or wilderness guides who work less than 5 hours in a day will see a rise in minimum wage from \$71.30 to \$71.75 per hour. Those who work more than 5 hours a day will see a rise from \$142.60 to \$143.55 per hour.
- The homemaker's minimum wage for employees who do paid work from their own home will increase from \$15.70 to \$15.80 per hour. [Examples given by the provincial government](#) of individuals who may qualify for the homemaker's minimum wage include

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those who “may sew clothes for a clothing manufacturer, answer telephone calls for a call centre, or write software for a high-tech company”.

## **Federal Minimum Wage Increase**

The federal minimum wage is also set to increase to \$15 per hour on December 29, 2021. This change will apply to workers in federally regulated industries. Federally regulated employers should note that where they operate in a province with a higher minimum wage rate, the higher provincial minimum wage will apply to their workers.

## **Provincial Minimum Wage Rates Across Canada**

General minimum wage ranges across the provinces and territories. As of the date of this article, Nunavut has the highest minimum wage at \$16 per hour, while Saskatchewan has the lowest at \$11.45 per hour.

## **Future Increase in Ontario’s Minimum Wage**

According to the current provincial government, the minimum wage rates in Ontario **may** increase annually on October 1 of each year. Any adjustments will depend on the Ontario Consumer Price Index. The decision as to whether the minimum wage rates will increase again on October 1, 2022, will be announced on or before April 1, 2022.

Any increase of minimum wage beyond 2022 will likely depend largely on whether or not the Conservative party remains in power. The topic of minimum wage in Ontario has long been a point of contention between the various political parties in the province. Under the previous Liberal government led by Kathleen Wynne, the general minimum wage was raised from \$11.60 to \$14 per hour, with a plan for it to reach \$15 by 2019, and \$15.25 by the end of 2021. However, in 2018 Premier Ford implemented a freeze of minimum wage which kept the general minimum wage at \$14 per hour until October 2020 when the freeze ended and the general minimum wage was raised to \$14.25.

It is accordingly not unreasonable to assume that minimum wage will be a hot topic leading up to the next Ontario general election which is set to be held on or before June 2, 2022.

## **Check the Box**

With the minimum wage increases just around the corner, employers will want to ensure that they comply with their obligations and provide all workers with any necessary increase in pay.

## **Need more information?**

If you have any further questions about your obligations in connection to the upcoming increase in minimum wage rates, or require assistance with employment standards compliance generally, please contact Hayley Smith at 416-408-5513, or your regular lawyer at the firm.



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