



# Annual Report 2025-26



## **INTRODUCTION**

As an Officer of the Legislative Assembly, the Equal Pay Commissioner is required to provide an annual report each year. It is both a pleasure and an honour to present the 2025-26 Annual Report, my first Report in this role. The 2025-26 year was a transitional year as Commissioner Renée Caron tendered her resignation to the Legislative Assembly after providing more than two years of exceptional expertise in the role, and I was subsequently appointed effective November 24, 2025.

The 2025-26 Annual Report highlights both the overall context for equal pay as well as the activities of the Equal Pay Commissioner during the 2025-26 year.

## **BACKGROUND**

In 1989, the Public Service Alliance of Canada (PSAC) filed an equal pay complaint against the Government of the Northwest Territories (GNWT) with the Canadian Human Rights Commission, alleging discrimination in pay in violation of the *Canadian Human Rights Act*. A joint equal pay study was conducted and at the conclusion, the GNWT and PSAC agreed to establish a pay grid using the gender neutral Hay Job Evaluation System in order to meet equal pay legislation. The subsequent pay grids incorporated formulas that ensured female dominated classes were brought up to at least those of the male dominated classes.

The Hay Job Evaluation System continues to be used today across the GNWT in order to ensure an unbiased evaluation of all eligible positions within the GNWT.

## **EQUAL PAY IN THE NORTHWEST TERRITORIES**

The *Public Service Act* (the Act) of the NWT is clear:

“No employer shall establish or maintain differences in the rate of pay between male and female employees who perform work of equal value in the same establishment.”

The right to equal pay for work of equal value is affirmed in Section 40 of the Act and applies to specified parts of the GNWT public service: the government, the NWT Power Corporation and teachers. It requires that there be no difference in the rate of pay between male and female employees who perform work of equal value within the same establishment. “Pay” includes salary or wages, and all compensation received for performing the job, including all benefits, bonuses, housing, clothing (or clothing allowances).

The Act does allow for differences in pay which are attributable to specific programs or systems, such as a seniority system, a merit system, or cost of living compensation system. It also allows for differences arising from commission-based earnings, the existence of a labour shortage in a field, a temporary rehabilitation or training program or a downgrading, reclassification or demotion process. Finally, the Act was amended in 2014 in the context of Devolution to allow for a certain type of transition allowance in the rate of pay for work of equal value. Of note, in all the above cases, pay differences are acceptable provided they do not discriminate on the basis of sex.

### **THE HAY JOB EVALUATION SYSTEM**

The Hay Job Evaluation System has been used since both the GNWT and PSAC agreed to its use as a tool to uphold pay equity. It is an internationally recognised and respected methodology that seeks to ensure equal pay by assigning a gender neutral 'size', or points rating, to jobs using the universal factors of know-how, problem-solving, accountability and working conditions. By focusing on the job and not the person, the system evaluates the position's requirements and duties; it does not consider the specific qualifications, seniority or salary of the employee doing the work.

The Hay System creates a comparable hierarchy where vastly different jobs can be analyzed using these universal factors and assigned a points rating. Jobs with similar total points can then be grouped into salary bands or pay grades. So, for example, Heavy Equipment Operators (typically male dominated) can be compared objectively to Executive Assistants (typically female dominated) and both can be compensated equitably.

However, the Hay Job Evaluation System is not fail-safe. While the methodology itself is intended to be gender-neutral, focusing on what the job requires rather than who does it, the way it is implemented can leave room for bias, inadvertent or otherwise. It relies heavily on subjective judgement from evaluators so if an evaluation committee lacks diversity or harbors unconscious bias, or lacks a solid understanding of gender neutral evaluation principles, the qualitative assessment that leads to the points rating can be impacted.

### **ROLE OF THE EQUAL PAY COMMISSIONER**

The NWT Equal Pay Commissioner enforces the pay equity provisions outlined in the *Public Service Act*. As per S. 40.22(1) of the Act, the Commissioner's mandate includes:

- **Receiving and Investigating Complaints:** Receiving and reviewing written complaints from public service employees regarding unequal pay for work of equal value. Upon receipt of a complaint, the Commissioner must conduct an investigation and may assist the parties to resolve the matter informally. If this is not successful, the Commissioner must investigate and prepare a report containing recommendations to the parties regarding how to resolve the complaint. If the parties are still unable to agree on a resolution, any party may refer the dispute to an arbitrator for a binding decision.
- **Promoting Public Awareness:** In addition to receiving and investigating complaints, the Commissioner is mandated to promote awareness and understanding of the right to equal pay for work of equal value.

### **EQUAL PAY IN 2025-26**

During 2025-26, the transition from Commissioner Caron to myself happened slightly more than mid way through the year. I want to express deep respect and gratitude to Ms. Caron for her expert support and knowledge sharing during and after this hand over.

Given the age we live in, we cannot take pay equity for granted and assume that the structures and parameters put in place by the GNWT after the Joint Equal Pay Study are sacrosanct in their capacity to seamlessly ensure equal pay. Around the globe, we see many instances of retrenchment on women's rights and pay equity.

The Canadian Human Rights Commission confirms that the gender wage gap is a persistent problem: In 2020, a woman in Canada earned 0.89 cents for every dollar a man earned. That is equivalent to a \$3.52 hourly wage rate gap (or 11%) between men and women.<sup>1</sup> According to the Gender Equality Report and Ranking, Canada is one of three countries in 2025 where gender equity declined (along with the USA and New Zealand).<sup>2</sup>

Media coverage on the challenges to pay equity are plentiful:

In an article on women's rights, The Guardian reports that even the most progressive countries still struggle to entrench full pay equity:

'There is much to learn and implement from Iceland's policies on parental leave and equal pay. Employers are required to prove that they operate an [equal pay for work of equal value](#) policy. While much has been achieved, much remains to be done: the hourly rates of pay are close to equal, but incomes over a lifetime reveal wage inequality caused by [the penalty of motherhood](#) and the unequal division of labour, time and power. The [rates of sexual violence against women](#) also remain high.'<sup>3</sup>

The New York Times reports a serious decline on pay equity and equality overall in the USA:

'The Trump administration's attack on diversity, equity and inclusion has rolled back decades of progress for women, who now face a widening gender [pay gap](#) and [narrowing employment protections](#). In the process, discussions about women have become a third rail, a toxic topic that is too politically charged to touch.'<sup>4</sup>

'The Ambition Penalty' written by Stefanie O'Connell and reviewed in the Globe and Mail, confirms that despite advice telling women to 'lean in' at work, the financial ceiling can be higher for men in the same roles.<sup>5</sup>

Within this context, pay equity requires ongoing proactive vigilance to ensure the principle and implementation of equal pay for work of equal value is sustained.

In 2025-26, no complaints were brought forward to the Equal Pay Commissioner. This is not surprising given there has been one complaint made since the Office of the Equal Pay

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<sup>1</sup> <https://www.chrc-ccdp.gc.ca/individuals/pay-equity/about-pay-equity>

<sup>2</sup> <https://www.theglobeandmail.com/business/careers/article-canada-lags-global-peers-and-is-falling-when-it-comes-to-gender-equity/>

<sup>3</sup> <https://www.theguardian.com/commentisfree/2025/dec/31/women-rights-threat-world-hope-el-salvador-russia-syria>

<sup>4</sup> <https://www.nytimes.com/2026/04/06/opinion/women-workplace-dei-feminism.html>

<sup>5</sup> <https://www.theglobeandmail.com/investing/personal-finance/article-career-women-leaning-in-the-ambition-penalty-stefanie-oconnell/>

Commissioner was established. While this may very well be a sign of robust pay equity practices and guardrails within the GNWT, it may also be that individuals may be overwhelmed by coming forward with a concern regarding potential systemic pay inequity.

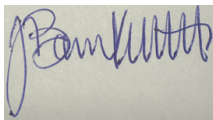
Canada's *Pay Equity Act* mandates "equal pay for work of equal value" across federally regulated workplaces. Enacted in 2018 and in force since 2021, the legislation shifts the burden of proof to employers to proactively examine compensation practices, eliminate systemic gender-based discrimination, and close the gender wage gap. Under the federal system, employers must develop and update their pay equity plans every 5 years. This model of proactive review by the employer may be something that the GNWT wishes to consider to reaffirm and enhance its work in upholding pay equity. While the NWT's pay equity legislation does not impose a requirement for proactive pay equity development or pay equity maintenance, this does not prevent the GNWT and bargaining agents from undertaking a voluntary pay equity review exercise.

#### LOOKING AHEAD

Looking ahead, I plan to connect with Ms. Lori Straznicky, the federal Equal Pay Commissioner, to further explore common strategies and communications that can support an ongoing robust framework for pay equity in the NWT. I will also look forward to the opportunity to meet with GNWT and union officials to confirm shared interests and alignment in supporting pay equity.

In conclusion, I would like to thank the Speaker, the Board of Management and Members of the Legislative Assembly for the honour of this appointment, and express my appreciation to the staff of the Clerk's Office of the Legislative Assembly for their fulsome support.

Respectfully submitted on June 5, 2026,



Sheila Bassi-Kellett  
NWT Equal Pay Commissioner