

AN ALBERTA PAY EQUITY LAW WOULD TACKLE WAGE DISCRIMINATION AND GROW OUR ECONOMY

Issue Brief

Alberta has the largest gender pay gap in Canada by a wide margin. In Alberta, the gender pay gap is not an accident and it is not simply a matter of career choice. The gender pay gap is mostly the result of wage discrimination. It reflects how our labour market systematically undervalues work traditionally done by women.

Care aides, educational assistants, early childhood educators, clerical staff, health care support workers, and social services workers carry enormous responsibility, skill, and emotional labour. Yet these women-dominated occupations are routinely paid less than men-dominated roles requiring comparable training, accountability, and working conditions.

Unions see this every day at the bargaining table. Jobs in health care, education, and community services are evaluated lower not because they lack value, but because caregiving and service work have historically been treated as extensions of unpaid women's labour. Meanwhile, work in construction, utilities, energy, and trades – fields still dominated by men in Alberta – are structured and compensated very differently.

The result is a wage structure that rewards sectors associated with men and discounts sectors associated with women, even when the jobs demand similar levels of skill, responsibility, and effort. That is not a neutral market outcome. It is systemic wage discrimination embedded in how work is classified and compensated across our province.

To address the gender pay gap, 7 of 10 Canadian provinces have adopted [pay equity legislation](#) (requiring equal pay for work of equal value), 5 provinces have adopted

[pay transparency legislation](#) (requiring a few things, including that employers disclose compensation details, such as salary ranges, in job postings), and 4 provinces have adopted both. The Governments of Saskatchewan and British Columbia have not adopted pay equity legislation, but they have a policy [framework for negotiating](#) pay equity with public sector employees (B.C. also has a pay transparency law). Alberta is the only province that has not adopted pay equity legislation, pay transparency legislation, or a pay equity negotiation framework.

On the federal level, the *Pay Equity Act* came into effect in [2021](#). The law requires public and private sector employers that are federally regulated to proactively achieve pay equity. Plans to enforce the federal law are being implemented in the Canadian Armed Forces, Royal Canadian Mounted Police, Crown Corporations, federally regulated private sector employers, and the federal public services.

The Gender Wage Gap and Economic Inequality

Here is why pay equity is needed in Alberta:

- In 2024, the average gender wage gap across Canada was [13%](#) for core age workers (age 20 to 54), meaning women in Canada earn 87¢ for every dollar earned by men.
- If the gender wage gap was eliminated, Canadian women would earn almost an [extra \\$4 an hour](#) on average.
- At 18% in 2024 and 17.4% in 2025, Alberta's gender wage gap is almost 40% larger than the national average. (Data source: Statistics Canada table 14-10-0417-01, "Employee wages by occupation, annual". This data is for core age, full time and part time employees, average hourly wage rate (annual), current dollars. For full-time employees only, the Alberta gender wage gap was 16.1% in 2024 and 15.8% in 2025.)
- If the gender wage gap was eliminated across Alberta, then women in our province would earn about \$7 more an hour on average.
- The Government of Alberta's webpage on "[women's economic security](#)" says Alberta women "earn less on average than Alberta men for the same or substantially similar work". So, the Alberta government openly admits there is gender-based wage discrimination in our province, and yet they have not adopted pay equity legislation to address it, like most other provinces have done.

- In Alberta and nationally, the wage gap is worse for Indigenous women, racialized women, immigrants, and [women with disabilities](#). For example, in [2022](#), the national average gender pay gap for core age women (age 20 to 54) who immigrated to Canada as adults was 21% and for Indigenous women the wage gap was 20%.
- The gender pay gap persists across age groups, including among women with post-secondary education. For example, in 2022 senior women earned [26% less](#) than senior men.
- In Canada, women are underrepresented in senior management and on boards of directors. This is called “vertical segregation.” Further, in 2021, women executives across Canada earned [56% less](#) than men executives, and were less likely to be in a relationship or have children.
- Women in [Alberta](#) and across [Canada](#) continue to do a lot more unpaid domestic and care work in their households compared to men.

The Causes of the Gender Pay Gap

- Nationally, nearly [two-thirds](#) of the gender pay gap **is not** explained by standard factors such as education, work experience, job attributes, occupation, and industry. This research result is consistent with research on the gender pay gap in the United States and the United Kingdom.
- The biggest factor causing the gender wage gap is discrimination. Women’s work is consistently undervalued and underpaid.
- Jobs usually done by women are paid less than jobs usually done by men, even when the jobs require similar skills, working conditions, and responsibility. For example, in [2022](#), “when Canadian-born women worked in the same occupation and industry as Canadian-born men, they earned 9.2% less than men.”
- Furthermore, the gender pay gap is larger in occupations dominated by men. For example, in [2024](#), “women employed in manufacturing and utilities earned on average 22% less than men in this sector; and 17% less in natural resources, agriculture, and related production occupations.”
- On top of the main issue of gender-based discrimination, several [other factors](#) impact the gender wage gap, including:
 - Occupational segregation (meaning, women tend to work in care and education industries, retail and other services, clerical, and cleaning, while men are over-represented in construction, manufacturing, and resource industries).

- Women, on average, have earned a higher level of education over time compared to men.
- Women are over-represented in part-time work, which tends to pay less than full-time jobs.
- The share of men in unionized jobs has decreased compared to the late 1990s. Unionized jobs tend to pay more than non-unionized jobs, so men's declining unionization rate is decreasing men's average wages relative to women's.
- Further, unionized sectors have smaller wage gaps. Collective bargaining reduces gender pay disparities. Public sector pay grids mitigate discrimination.
- Changes across the above factors have resulted in the national average gender pay gap being narrowed from 18.8% in 1998 to 13% in 2024 (women's average wages grew faster than men's in this period). Further adoption and enforcement of pay equity laws would help make needed progress on tackling wage discrimination and eliminating the wage gap.

Pay Equity Legislation Addresses Wage Discrimination

- Pay equity laws are meant to re-evaluate the worth of women-dominated jobs and to ensure they are not paid less simply because women do them.
- As noted above, 7 of 10 provinces have pay equity legislation, 5 of 10 have pay transparency legislation, and 4 provinces have both. British Columbia and Saskatchewan each have a policy framework for negotiating pay equity in the public sector (B.C. also has a pay transparency law). Alberta has chosen not to adopt any of the above.
- To be clear, pay equity and pay transparency are very different tools. Pay equity is structural job evaluation and compensation adjustment. Pay transparency is disclosure and reporting.
- All Canadian provinces and territories have human rights legislation that prohibits discrimination in employment generally.
- The *Alberta Human Rights Act* guarantees equal pay for the “same or substantially similar” work, but it [does not require](#) employers to address pay disparities between different, yet comparable jobs.
- Put simply, Alberta law says two people doing the same or very similar job must be paid the same. What it does not address is whether two different jobs that require

comparable skill, effort, responsibility, and working conditions are paid fairly relative to each other. So, while Alberta protects equal pay for equal work, it does not require employers to ensure equal pay for work of equal value. That gap allows women-dominated occupations to remain underpaid compared to men-dominated roles that are evaluated and compensated more highly, even when the jobs are objectively comparable. Further, Alberta employers are not required to audit their compensation systems, which enables historical, systemic underpayment to persist. Without legislation to address these serious issues, systemic wage discrimination will continue in Alberta.

- Some employers in Alberta may have union-negotiated pay equity or they may fall under the federal *Pay Equity Act*, but the lack of a provincial pay equity law means many Alberta workers remain unprotected from wage discrimination.
- In May 2025, Premier Danielle Smith's government [released](#) their 10-year strategy to end gender-based violence. "Exploring the potential for pay transparency legislation" is listed on page 22 as a low priority in the long term (2030-2035). Pay equity is not mentioned in the government's strategy.
- A higher level of economic independence for Albertan women will mean that they are better able to avoid or leave unsafe, high-risk situations. This is one of many reasons why pay equity and pay transparency laws should be high priorities for the Government of Alberta.

Economic and Social Benefits of Advancing Gender Equality

- Economic inequality is not just a fairness issue. It holds back economic growth. When wages are suppressed for large segments of the workforce, families have less to spend, communities see less local investment, and governments collect less tax revenue.
- Reducing inequality strengthens the broader economy. Higher wages for undervalued workers increase consumer spending, reduce poverty-related costs, improve workplace stability, and support healthier, more resilient communities.
- [One study](#) calculated that advancing gender equality in Canada would grow the national economy by [\\$150 billion](#) from 2016 to 2026, including a 5-6% bump to Alberta's economy.
- Alberta's minimum wage has been frozen at \$15 an hour for over 7 years and is now the lowest in Canada. About 60% of Alberta minimum-wage earners are women. Increasing the minimum wage in Alberta would reduce the gender wage

gap and stimulate local economies by increasing the consumer spending power of over 100,000 workers.

In summary, Alberta has a much larger gender pay gap than other provinces. All other provinces have chosen to address the gender pay gap with pay equity legislation, pay transparency legislation, or a policy framework for negotiating public sector pay equity. Alberta has chosen not to adopt any of these measures.

That matters because when workers are underpaid, it's not just unfair for them. Women end up acting as the economy's shock absorbers, taking on unpaid care work, stretching household budgets, and absorbing financial inequities. This hurts families, reduces spending power, and slows economic growth across the province.

Everyone deserves to be paid fairly for their skills, effort, and experience. Without stronger laws, too many Albertans will continue to be undervalued and underpaid, and Alberta's economy and communities will continue to pay the price.