



# 2026 Canadian Salary Forecast

Insights to help employers plan compensation  
with confidence

November 2025



# Introduction:

## From Peak Growth to Moderation

In 2025, salary increases reached a peak at 3.1% across Canada with structural adjustments of 1.6% (detailed provincial data on page 4). These results reflected a catch-up period driven by inflation and labour shortages.

For 2026, the dynamic is changing. Inflation dropped to 1.7% in July 2025, economic growth is capped at 1%, and unemployment rose to 7.1% in August 2025. In this context, employers are showing more caution. Projected increases remain above the historical average of 2.5% to 3%, but the trend points toward moderation.

### Key takeaways

- 2026 salary increases are expected to stabilize at around 3%, marking moderation after record 2025 growth.
- Quebec retains a slight advantage, with average increases ranging from 3.14% to 3.26%, depending on whether or not salary freezes are included. Structural adjustments in this province are at 2.5% to 2.7%, a more sustained level than the Canadian average.
- Ontario, the second most-represented province in the sample, shows more moderate increases - around 3.0% to 3.2% for salaries and 2.4% to 3.0% for salary structures - reflecting a desire to balance competitiveness and fiscal prudence.
- In British Columbia, forecasts remain robust: salaries are expected to rise by between 3.2% and 3.6%, while salary structures will increase by between 2.0% and 4.2%, underpinned by a persistently tight labor market.
- These three provinces represent the majority of organizations surveyed, and together constitute a reliable indicator of national salary trends.
- Salary freezes, though in the minority, strongly influence national averages.
- international trade uncertainties, such as U.S. tariffs, could still alter compensation plans.



# About this Report

This report is based on findings from HUB International's 2026 Canadian Salary Forecast Survey, conducted between July and August 2025. The survey gathered insights from 185 HR, finance and business leaders across the country, representing a wide range of industries, organization sizes and regions.

Our goal: to provide a national snapshot of how employers are approaching compensation planning in the year ahead.

All responses were anonymized and analyzed in aggregate. Where relevant, we included breakdowns by organization type, industry and region to give decision-makers useful context.

As a trusted partner, HUB is committed to guiding you with clarity — so you are not only reacting to change but planning for it.



## Have employees South of the Border?

HUB International's 2026 U.S. Compensation Planning Guide provides information on salary budget increases, structure adjustments, promotional spending and variable pay budget increases to assist in budgeting personnel expenses for U.S. based employees.

**Download the guide** for national and regional compensation data to assist in planning and budgeting for next year.

## National Salary Forecast Overview

### Canada versus British Columbia Trends

	Canada 2025 (actual)	Canada 2026 (incl. freezes)	Canada 2026 (excl. freezes)	B.C. 2025 (actual)	B.C. 2026 (incl. freezes)	B.C. 2026 (excl. freezes)
<b>Salaries</b>	3.1%	3%	3.3%	3.5%	3.1%	3.5%
<b>Structures</b>	1.6%	2%	2.6%	2.4%	1.4%	3.2%

### Canada versus Ontario Trends

	Canada 2025 (actual)	Canada 2026 (incl. freezes)	Canada 2026 (excl. freezes)	Ontario 2025 (actual)	Ontario 2026 (incl. freezes)	Ontario 2026 (excl. freezes)
<b>Salaries</b>	3.1%	3%	3.3%	3.2%	3%	3.2%
<b>Structures</b>	1.6%	2%	2.6%	2.4%	2.2%	3.1%

### Canada versus Quebec Trends

	Canada 2025 (actual)	Canada 2026 (incl. freezes)	Canada 2026 (excl. freezes)	Quebec 2025 (actual)	Quebec 2026 (incl. freezes)	Quebec 2026 (excl. freezes)
<b>Salaries</b>	3.1%	3%	3.3%	3.4%	3.1%	3.3%
<b>Structures</b>	1.6%	2%	2.6%	2.9%	2.5%	2.7%

## Provincial focus - Regional nuances to watch

While national trends set the tone for 2026, some provinces present distinct realities, influenced by their economic and sectoral contexts. The following table illustrates the differences between British Columbia, Ontario and Quebec, both in terms of salaries and salary structures, by job category. This data confirms that, despite the general moderation, pressure on salaries remains variable from one province to another.

### British Columbia (Salaries)

Job Category	Including freezes	Excluding freezes
<b>Executives</b>	3.0%	3.6%
<b>Managers</b>	3.3%	3.7%
<b>Professionals</b> (sales / non-sales)	3.2%	3.4%
<b>Production employees</b> (non-union)	2.9%	3.2%
<b>Technicians and administrative support</b>	3.1%	3.3%

### British Columbia (Salary structures)

Job category	Including freezes	Excluding freezes
<b>Executives</b>	0.9%	2.2%
<b>Managers</b>	1.3%	3.1%
<b>Professionals</b> (sales / non-sales)	1.8%	4.3%
<b>Production employees</b> (non-union)	0.8%	2.1%
<b>Technicians and administrative support</b>	2.0%	4.2%

### Ontario (Salaries)

Job category	Including freezes	Excluding freezes
<b>Executives</b>	3.1%	3.3%
<b>Managers</b>	3.0%	3.1%
<b>Professionals</b> (sales / non-sales)	3.0%	3.1%
<b>Production employees</b> (non-union)	3.1%	3.2%
<b>Technicians and administrative support</b>	3.0%	3.1%

## Ontario (Salary structures)

Job category	Including freezes	Excluding freezes
<b>Executives</b>	2.0%	3.1%
<b>Managers</b>	2.4%	3.0%
<b>Professionals</b> (sales / non-sales)	2.2%	3.2%
<b>Production employees</b> (non-union)	2.4%	3.3%
<b>Technicians and administrative support</b>	2.2%	2.8%

## Quebec (Salaries)

Job category	Including freezes	Excluding freezes
<b>Executives</b>	3.2%	3.4%
<b>Managers</b>	3.1%	3.3%
<b>Professionals</b> (sales / non-sales)	3.2%	3.1%
<b>Production employees</b> (non-union)	2.9%	3.1%
<b>Technicians and administrative support</b>	3.1%	3.3%

## Quebec (Salary structures)

Job category	Including freezes	Excluding freezes
<b>Executives</b>	2.5%	2.7%
<b>Managers</b>	2.6%	2.7%
<b>Professionals</b> (sales / non-sales)	2.5%	2.7%
<b>Production employees</b> (non-union)	2.5%	2.7%
<b>Technicians and administrative support</b>	2.5%	2.7%

## Canada: Salary Stability, Stronger Structures

Nationally, salaries are expected to rise by 3% including salary freezes and 3% excluding salary freezes.

Structural adjustments — permanent increases to pay ranges to ensure fairness across roles — will see the biggest change, climbing from 1.6% in 2025 to a projected 2% to 2.6% in 2026. These changes are designed to correct **wage compression** (where new hires earn close to or more than longer-tenured employees) and reinforce **internal equity** across job categories.

For HR leaders, these structural adjustments provide a concrete lever to strengthen pay fairness and support talent retention.

### Salary Freezes: A Strategic Choice to Approach Carefully

Behind the averages, a significant share of organizations will implement salary freezes: 8% for executives, 5% for managers and 4% across other categories. These decisions reduce overall averages and explain the difference between “with” and “without” salary freeze scenarios.

Job Category	% of companies with salary freeze
Executives	8%
Managers	5%
Professionals (sales / non-sales)	4%
Production employees (non-union)	4%
Technicians and administrative support	4%

### Category Spotlight: Different Dynamics

Each job group faces a different reality. The survey results show how employers adapt strategies by profile, balancing caution with competitiveness.

- **Executives:** Most affected by prudence, with increases of 3% (with freezes) and 3.3% (without freezes), compared with 3.5% in 2025. Budgets are prioritized elsewhere.
- **Managers:** Moderate increases at 3.1% (with freezes) and 3.3% (without freezes), aligning with the overall trend while maintaining strategic roles.
- **Professionals:** Increases of 3.1% and 3.3%, versus 3.4% in 2025. Investments remain steady to secure key skills.
- **Non-union production employees:** 2.9% and 3.2%, after 3.4% in 2025, reflecting the economic slowdown’s impact, particularly in manufacturing.
- **Technicians & administrative support:** Increases of 3% and 3.2%, showing stabilization aimed at supporting these essential functions.

In short, each group is impacted differently, but the goal remains the same: balance talent recognition, cost control and overall competitiveness.

## External Factors: Navigating Trade Uncertainty

### Survey findings:



### Forecasting the unpredictable is part of sustainable salary strategy.

Beyond internal compensation dynamics, one external factor could affect 2026 salary plans: new U.S. tariffs. Among the 185 organizations surveyed, most anticipate limited effect. Still, 41 foresee moderate impact, and 12 expect significant disruption that could delay or reduce salary increases. Twenty organizations say it is too early to decide.

Budget estimates vary widely: from marginal adjustments (0.5% to 2% of budget) to much higher levels, up to 10% — or even 20% to 30% in isolated cases. These responses highlight uncertainty, but also the need for proactive planning.

When asked about flexibility, most employers (71) prefer to “monitor closely” before making changes. Eighteen think adaptation will likely be necessary, and three have already chosen to delay or adjust increases. By contrast, 38 respondents said no changes are planned regardless of developments.

These results show that beyond the already accepted moderation, the international environment remains a key variable. For employers, the challenge is to stay vigilant and build resilient strategies. HUB can support your teams in integrating uncertainty into pay planning and turning complexity into competitive advantage.



## Conclusion

# A Year of Salary Maturity

Employers that integrate both moderation and flexibility will have a competitive edge in 2026.

The year 2026 marks a shift toward greater coherence and consolidation. Increases hover around 3%, with reinforced structural adjustments. Across Canada, employers are focused on solidifying pay scales, with Quebec retaining a slight edge with higher increases.

Beyond the numbers, employers' strategy is clear: contain increases at the top, support middle functions and stabilize operational categories. This refocusing aims to balance internal equity, external competitiveness and budgetary constraints.

**In sum, 2026 looks to be a year of salary maturity: fewer excesses, more consistency and a sharper focus on organizational priorities.**

**For questions about this report, please contact your HUB Total Rewards adviser:**



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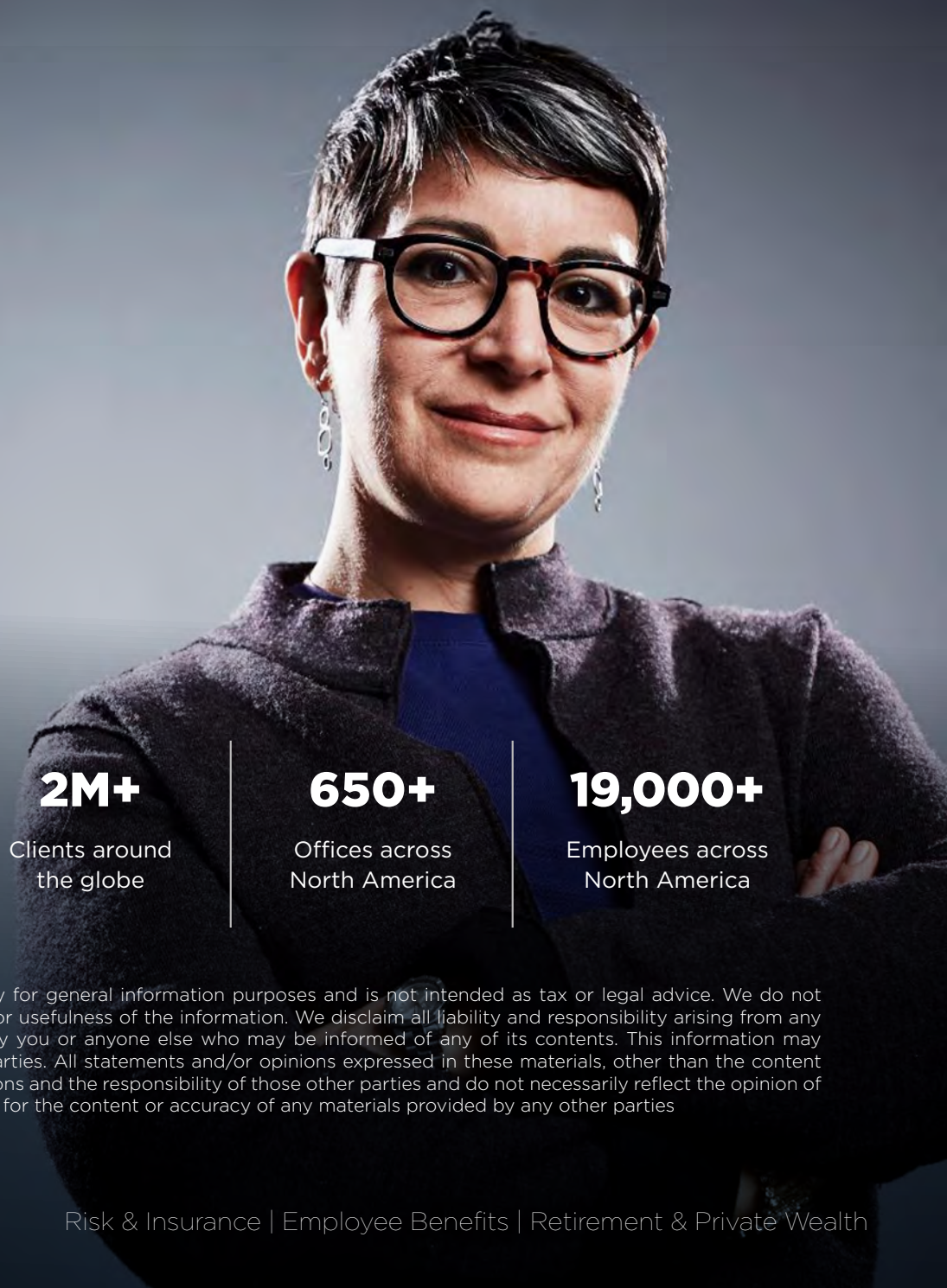
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