
Immigration alert

Tourism and hospitality wage threshold to increase

Background

The median wage was updated by Statistics New Zealand in June 2022 to \$29.66 hourly. Several New Zealand work and residence visas are linked to this median wage, including the new Accredited Employer Work Visa (AEWV).

Many tourism and hospitality occupations have enjoyed an exemption to the median wage threshold, allowing a lower wage of \$25 hourly. This was implemented as a temporary support to the industry, as it recovered from the impacts of COVID-19.

Update

Immigration New Zealand (INZ) is set to increase the median wage exemption for tourism and hospitality sector roles, in April 2023. The updated rate will be \$28.18 hourly, which is 95% of the new median wage.

In April 2024 the median wage exemption will no longer apply and all tourism and hospitality workers will need to be paid at least the median wage to qualify for an AEWV.

Going forward, the median wage will be updated in immigration policy each February. This will be based on the rate published by Statistics New Zealand the previous June.

Our thoughts

There is a shortage of New Zealand workers to fill these types of roles, particularly in areas like Queenstown. Unfortunately, INZ's wage thresholds are above market rate for many of these occupations, which is going to prevent employers from supporting migrant workers to cope with labour shortages.

Employers looking to support individuals earning less than \$28.18 hourly should apply for AEWVs before April 2023. Importantly, employers must be accredited with INZ and have a Job Check approved before an AEWV can be submitted.

After April 2023, employers could consider visa holders who are not subject to these wage threshold increases. This includes working holiday makers, students with work rights, or individuals on partnership work visas.

Questions?

If you have any questions about this article, please contact [Tash Rae](#) or a member of our specialist [Employment Team](#).