

PAYROLL & WAGE CHANGES

from 1 April 2026

9 MARCH 2026

1 APRIL 2026

SUMMARY:

Employers of migrant workers:

(immigration settings only)

Median wage: \$35.00

All employers:

Minimum wage \$23.95

KiwiSaver 3.5% contributions



What you need to know

From **1 April 2026**, several payroll-related changes will come into effect that may impact both employers and employees. We've outlined the key changes below and what action may be required.

If we process your payroll or complete annual payroll calculations on your behalf, we will email you updated wage information once the new IRD calculators are available.

If we do not complete payroll calculations for you, please feel free to contact us if you have any questions or would like assistance.

Changes to KiwiSaver Contributions

From 1 April 2026, the Government will make the following changes to the KiwiSaver scheme:

- Minimum employee and employer contribution rates will increase to 3.5% (rising further to 4% from 2028)
- Temporary rate reductions will still be available for individuals experiencing financial hardship
- 16–17-year-olds will become eligible for employer and government contributions

What this means:

- Employees may see a reduction in take-home pay
- Employers will face higher employment costs
- The long-term aim is to improve national retirement savings outcomes

Important: Applying New Wage Rates

Any new wage calculations provided by our office must take effect from the first wage payment in April 2026.

If your employees are paid a set amount each pay period, you will need to update your automatic payments. It is important this is done on time, as payroll amounts cannot be easily altered once payments have been processed.

New Standard Minimum Wage

New rate: \$23.95 per hour
Previous rate: \$23.50 per hour
Effective date: 1 April 2026

Applies to all employees in New Zealand, including both local and migrant workers.

Training and Starting-Out Wages

- Increased to \$19.16 per hour
- Remains at 80% of the adult minimum wage
- Up from \$18.80 per hour

Immigration-Related Wage Changes

From 2026, the median wage increases to \$35.00 per hour (9 March 2026) and applies to certain immigration settings and visa categories, including the Skilled Migrant Category, Green List pathways, and some partner and family visa income thresholds. This generally affects new visa applications or variations, with existing visa holders usually unaffected until renewal.

The minimum wage of \$23.95 per hour (1 April 2026) continues to apply to all workers, including migrant workers, and must be met for relevant visa applications.

Need Help or Have Questions?

If you would like help applying these changes, updating payroll settings, or understanding how they affect your business or employees, please contact us. We're happy to assist.