

Executive Summary

2025 Remuneration Survey

PRODUCED BY THE RESTAURANT ASSOCIATION OF NEW ZEALAND

\$27.84

The average hourly rate across the industry now sits at \$27.84, with salaried roles averaging \$83,415. These headline figures are relatively stable year-on-year,

2.54%

Hourly rates increased by 2.54% and salaries by 0.50% from 2024 - 2025. This marks a slowdown in wage growth compared to previous years, reflecting a market that is stretched but still moving forward.

\$28.51

The Southern Lakes region reported the highest average hourly wage (\$28.51). Acute labour shortages and high living / accommodation costs that require employers to pay more to attract and retain staff, are likely contributing factors.

\$63.17

Tipping remains an important addition to total compensation for some workers. On average, tipped employees earn an additional \$63.17 per week, though this varies significantly by role and location.

\$41.51

A Head Chef earns the highest hourly wage in Hawke's Bay, at \$41.51/hour. In comparison the national average wage for this role is \$36.81, with a Head Chef earning \$39.62/hour in Auckland and \$34.39 in Wellington.

11.49%

General Managers received a 11.49% hourly wage increase (\$4.83) and 9.60% salary growth (\$11,663) from 2024 - 2025. However, traditional service positions showed more modest but consistent growth. Wait Staff, Bar Persons, and Kitchen Hands experienced increases ranging from 2.97% to 3.69% in hourly rates.

A copy of the full 2025 Remuneration Report results, which is provided in a spreadsheet format with full regional breakdowns, comparison to 2024, sector breakdowns and more, can be purchased from www.restaurantnz.co.nz (through the "Shop" section), or contact the Association (e. info@restaurantnz.co.nz, p. 0800 737 827). For more trends and research on the hospitality industry go to www.restaurantnz.co.nz.



Kia ora koutou.

The Restaurant Association's 2025 Remuneration Report offers a detailed insight into wage structures, employment patterns, and tip distributions across more than 100 positions in New Zealand's hospitality sector. Based on data from 13,945 employees, this report reflects a sector that is doing its best to move forward – even as operators continue to grapple with some of the toughest trading conditions in years.

We know that for many hospitality business owners the past 12 months have been defined by rising costs, cautious customer spending, and a tight labour market. Running a hospitality business in this environment demands difficult decisions every day – balancing pay and staffing needs with the reality of limited financial headroom. The 2025 Remuneration Report is designed to support operators in those decisions – providing context, benchmarks, and insight into what others in the industry are doing too.

The Shape of the Workforce

The 2025 wage data highlights our sector heavily reliant on hourly-paid workers, who made up 88.5 per cent of the hospitality workforce surveyed (with just 11.5 per cent on salaried arrangements). This speaks to the industry's need for flexibility, but also reflects the dominance of part-time work, particularly in front-line roles.

The industry's reliance on hourly employment also highlights the sector's need for operational flexibility to manage seasonal fluctuations and varying customer demand patterns across different regions and establishment types.

The largest employee groups remain in roles like wait staff (1,399 employees surveyed), F&B

attendants (1,239), room attendants (1,214) and kitchen hands (933). These are the people who keep our venues running day-to-day – and their prevalence also points to the operational challenge of retaining and supporting high-turnover, entrylevel roles.

Pay Structures and Wage Pressures

The average hourly rate across the industry now sits at **\$27.84**, with salaried roles averaging **\$83,415**. These headline figures are relatively stable year-onyear, with hourly rates increasing by 2.54 per cent in 2025 (compared to 2024) and salaries by 0.50 per cent. This marks a slowdown in wage growth compared to recent years, reflecting a market that is stretched but still moving ahead.

2025's wage growth is at a slower pace than recent years, reflecting a stretched but resilient market

For many operators, wage increases come at a significant cost. For the first time operators have reported that wage costs have reached an average 40 per cent. This represents an operational challenge requiring careful management. Operating with this high a ratio means the business has limited financial flexibility - with food costs usually accounting for another 28-35 per cent of revenue, the combined cost of goods sold and labour could be consuming 65-75 per cent of total revenue before even considering rent, utilities, insurance, and other fixed costs. For a hospitality business operating on already narrow margins (typically 3-5 per cent net profit), this leaves very little room for unexpected expenses, equipment repairs, or economic downturns.

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To address this, a business would need to focus heavily on productivity improvements, potentially through better staff scheduling, cross-training employees to handle multiple roles, or investing in technology to streamline operations. Alternatively, considering menu changes that improve gross margins, optimizing portion sizes, or adjusting pricing are prudent measures - though the latter can be challenging in a competitive market and has major implications for the overall financial health of hospitality businesses.

Tiered Progression and Leadership Premiums

Despite the challenges, the report also highlights clear wage progression based on experience and responsibility – especially within hospitality kitchen and front-of-house teams. While the industry's reliance on entry-level positions (including kitchen hands and wait staff) is also a vulnerability due to the high turnover in these roles, with hourly rates starting around \$25.00 for entry-level positions, the industry appears to be adapting to minimum wage pressures while maintaining clear advancement pathways.

2025 key highlights:

Kitchen Hierarchy - average hourly rate:

- Kitchen Hand: \$25.03/hour
- Commis Chef: \$26.83/hour
- · Chef de Partie: \$29.63/hour
- Sous Chef: \$32.11/hour
- Head Chef: \$36.81/hour
- Executive Chef: \$46.62/hour (or \$114,879 for salaried positions)

Front of House Progression - average hourly rate:

- Basic service roles (Cafe Assistant, F&B Attendant): ~\$25.08-\$25.83/hour
- Wait Staff: \$25.52
- Duty Manager: \$29.16
- Maitre D': \$29.97
- · Cafe Manager: \$29.86
- Restaurant Manager: \$32.96

This structure speaks to a workforce that offers growth – and to operators making a conscious effort to provide career pathways despite external pressures. Management and specialist roles (particularly in accomodation) continue to command strong salaries. General Managers now average \$133,208, Financial Controllers \$136,008, and Directors of Sales and Marketing \$138,415. These positions saw some of the largest pay increases this year, reflecting the critical need for experienced leadership as operators juggle complexity, compliance, and commercial performance.

Regional Variance

Regional data reveals both the scale and diversity of the industry. Auckland continues to dominate, employing 35.8% of total staff surveyed in this year's report (4,987 workers). Auckland also reports the second highest average hourly wage (\$28.35), but with the widest wage variance (\$7.50).

Auckland's high average wage and market dominance creates upward pressure on wages overall.

Other regional standouts include:

- Queenstown/Southern Lakes: The highest average hourly rate (\$28.51) with relatively low variance (\$3.25), reflecting the competitive nature of this high-turnover tourism market.
- Canterbury/Central South Island: Home to 11.9% of the surveyed employees, with a competitive average hourly rate of \$27.66.
- Wellington / Wairarapa's average wage rate sits at \$27.65/hour, just below the national average.

Notable regional role differences:

- Head Chefs earn the most in Hawke's Bay (\$41,51), compared to \$39.61 in Auckland, \$36.90 in Queenstown, and \$34.39 in Wellington.
- Restaurant Managers in Canterbury average \$32.21/hour, with the highest average wage for this role recorded in Gisborne / East Cape (\$40.00/hour).
- Maitre D's in Hawke's Bay command \$32.38/ hour – \$2.41 above the national average for this role.
- Bar Managers in Gisborne / East Cape earn \$38.50/hour – leading the country in this role.



Compensation Variation Across the Sector

Hourly wages overall notably varyly significant across business types, with caterers commanding premium rates (\$32.95/hour overall) and bars showing competitive compensation (\$30.90/hour), while restaurant operations essentially set the average wage rate at \$27.90.

Salaried positions are heavily concentrated in hotel/lodge operations (1,181 employees) with the industry-wide average salary in 2025 sitting at \$83,415, though significant variance (\$33,373) suggests considerable differentiation in management and supervisory compensation levels. This wide variance likely reflects the diversity of roles, from junior supervisors to senior management positions across different establishment types.

Tipping

Tipping remains an important addition to total compensation for some workers. On average, tipped employees earn \$63.17 per week, though this varies significantly by role and location.

- Wait staff earn an average of \$118.35 tips / week
- Restaurant Managers earn an average of \$103.94 tips /week

What This Means for Operators

What this year's **<u>Remuneration Report</u>** shows is an industry that's doing all it can to move forward, even under financial pressure. Wage growth in New Zealand has been running at a relatively moderate pace compared to inflationary pressures. Wages increased 2.50 per cent in March of 2025 over the same month in the previous year. The government has been taking measured steps to support lowincome workers through minimum wage increases, with the adult minimum wage rising from \$23.15 to \$23.50 per hour in 2025. However, wage growth may not be keeping pace with the cost of living for many New Zealanders, creating ongoing pressure on employers to offer competitive pay rates and on policymakers to balance economic growth with worker welfare.

We know many of you are not just trying to fill rosters – you're trying to run sustainable businesses, support your teams, and create great experiences for your customers.

Key takeaways:

- Wages are still increasing, albeit more slowly, with significant regional and role-based differences.
- The 40 per cent wage cost benchmark is a serious signal. Productivity improvements, rostering efficiencies, and technology may be needed to maintain viability.
- Role progression is clear and remains a powerful tool for retaining staff.
- Leadership positions are highly valued, and attracting the right people into those roles can drive performance.
- Regional variation matters pay strategies need to be tailored to local realities.

The insights from the 2025 Remuneration Report is a reflection of the choices and trade-offs you're making every day. We see operators investing in your people, navigating cost pressures, and doing your best to offer meaningful work in a highpressure environment.

Hospitality remains a people-driven industry. The numbers show that while conditions are tough, the commitment to our people is still strong. The 2025 Remuneration Report gives operators the insights needed to benchmark, plan, and make confident decisions in the months ahead.

As the hospitality sector looks ahead, finding the right balance between fair pay, sustainable operations, and strong team culture will be critical. The 2025 Remuneration Report shows that even in challenging conditions, employers remain committed to rewarding their people and building long-term workforce resilience.

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Ngā mihi nui,

Marisa Bidois CEO, Restaurant Association of New Zealand





Average pay rates

KEY HOSPITALITY ROLES

POSITION	2025 Av. hourly wage	2025 vs 2024	2025 salary	2024	2023	2022
Bar Manager	\$32.20	4.04%	\$83,327	\$30.95	\$28.93	\$28.24
Bar Person	\$26.15	2.97%	\$75,000	\$25.39	\$24.70	\$22.39
Barista	\$26.91	13.02%	\$57,296	\$25.91	\$25.01	\$23.59
Breakfast Chef	\$29.23	1.46%	\$81,000	\$28.81	\$27.20	\$24.80
Cafe Assistant	\$25.08	3.86%	~	\$24.14	\$23.82	\$22.15
Cafe Manager	\$29.86	3.02%	\$68,548	\$28.98	\$28.31	\$25.15
Cashier	\$26.69	-2.28%	\$52,000	\$27.31	\$24.69	\$22.90
Chef de Partie	\$29.63	1.95%	\$62,310	\$29.06	\$27.97	\$25.67
Cleaner	\$27.86	-2.24%	\$59,500	\$28.50	\$25.61	\$24.30
Commis Chef	\$26.83	1.81%	\$56,768	\$26.35	\$25.84	\$23.56
Counter Cook (no quals)	\$26.02	1.57%	\$61,500	\$25.62	\$26.68	\$23.18
Duty Manager	\$29.16	4.07%	\$62,547	\$28.02	\$27.73	\$25.28
Executive Chef	\$46.62	-0.87%	\$114,879	\$47.03	\$41.30	\$36.37
F&B Manager	\$33.75	2.56%	\$100,556	\$32.91	\$37.34	\$28.46
Food to go assistant	\$25.21	1.70%	~	\$24.79	\$23.94	\$21.87
Food to go manager	\$26.50	7.07%	~	\$24.75	\$27.83	\$24.34
Front Office	\$26.80	1.62%	\$58,074	\$26.37	\$25.49	\$24.16
Function Co-ordinator	\$30.44	6.07%	\$66,625	\$28.70	\$29.85	\$30.91
General Manager	\$46.85	11.49%	\$133,208	\$42.02	\$55.56	\$39.40
Head Chef	\$36.81	7.14%	\$86,209	\$34.36	\$33.48	\$30.14
Host/Hostess	\$27.10	2.58%	~	\$26.42	\$26.25	\$24.45
Housekeeper	\$25.60	1.64%	~	\$25.30	\$24.44	\$22.89
Junior Cook (no quals)	\$28.92	-0.54%	\$48,800	\$26.06	\$24.57	\$22.71
Kitchenhand	\$25.03	3.09%	\$55,812	\$24.28	\$23.59	\$22.17
Maitre d'	\$29.97	3.81%	\$71,667	\$28.87	\$26.99	\$25.14
Office Manager	\$36.12	10.42%	\$71,875	\$32.71	\$31.62	\$28.95
Owner / Operator	\$32.90	-4.40%	\$89,178	\$34.41	\$34.42	\$36.50
Pastry Chef	\$30.66	7.07%	\$85,448	\$29.54	\$28.83	\$26.40
Restaurant Manager	\$32.96	-1.56%	\$83,324	\$33.49	\$35.75	\$28.36
Sales Executive	\$59.46	80.19%	\$77,461	\$33.00	~	\$34.13
Senior Cook (no quals)	\$28.61	2.99%	\$60,000	\$27.78	\$27.01	\$25.37
Sole Kitchen Operator (no	\$29.76	4.37%	~	\$28.51	\$28.45	\$24.49
Sommelier	\$30.30	4.88%	~	\$28.89	\$30.70	\$26.75
Sous Chef	\$32.11	0.%	\$74,118	\$31.23	\$30.56	\$27.26
Student Apprentice	\$24.98	0%	~	\$23.98	\$23.73	\$21.76
Wait Staff	\$25.52	3.69%	\$57,250	\$24.61	\$24.04	\$22.55
TOTAL	\$27.84	2.54%5	\$83,415	\$27.15	\$26.57	\$24.43

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COMMENTS

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"We would love to give staff a pay rise however the turnover and COGS does not allow us to at this stage. We are waiting for a change in the economy."

- For the first time in many years it has become easier to find staff. This is the flipside of a very tough economy, which makes trading conditions extremely challenging.
- Cost pressures are declining for some kitchen roles with the number of business closing. FOH management talent is scarce.
- Currently paying the living wage but the increase in 2024 was significant and the cost of everything has risen significantly that I cannot see the living wage rise in September getting observed. It's too tough.
- Each year we increase remuneration rates for all staff by approximately the same amount as minimum wage increase.
- Have recently done a round of performance reviews and wage increases. We have a tiered system. I do believe there should be one minimum wage for people who have left school and are supporting themselves with their wages, and another for school kids who have a LOT to learn to become competent.
- I have owned the business since Aug 2022 and do not draw a wage for myself yet I hope to in the future.
- I peg all staff wages to living wage if the living wage rises, so does my base rate for each position.
- It is very hard to pay higher even though we value our staff

 we are already at high wage costs so as much as we'd
 love them to earn more and feel valued we're also held
 back by the revenue we can make.
- Labour conditions continue to challenge. A real noticeable lack of high standards and resilience in the candidates with several unsuccessful hires over the previous 2 year period. We are constantly reviewing our processes to try and support people to do better at work, pay them well, feed them 2 x free meals a day, generous allowance of tips, etc. The standard is the standard - holding this line is one of the biggest challenges we face.
- Living wage increase coming so staff rate increasing via that - will mean some other staff will also get an increase.
- Our wage costs are just so high, even though we are pretty sure our wage rates are normal for a Wellington suburban place. But when you look at how much wages have increased over the years (\$10 an hour for a lot of roles in just under 7-8 years), and restaurant prices haven't risen that much, it's understandable. The margins in hospitality are too low now, and not worth the hard work and stress.
- Recent wage increases mean that our team is currently paid at a very competitive rate.
- Remuneration rates are still high compared to turnover which is lower. Its still hard to balance these and still hard to find good staff - especially Chefs.
- Wage costs are the biggest overall factor in the margin squeeze we are experiencing.

- Struggling with every time a minimum wage rise happens, all wages need to increase. Also, staff demanding more pay and not wanting to do much work to represent this. It's getting harder and harder to have enough work for everyone.
- The large increases in minimum wage from 2020-2024 have compressed our wages and make it less likely that we will employ anyone without previous experience. It is frustrating to pay unqualified teenagers at such a high rate when the money would be better spent on experienced staff.
- The last 4 years has presented a large challenge in sustaining a stable wage cost. The hardest time is around public holidays. They are seldom worth opening as it is very hard to reach a profit We have seen better applicants in the last year which is great.
- Very happy to see minimum wage rate increases level off to a more realistic setting (and we pay over 20% more than minimum wage). Ingredient cost increases and the exodus of some of our target market to Australia is really putting the squeeze on all hospitality operators.
- Wage levels are static as sales are declining with persistent recessionary pressures for the cafe sector. Once that changes we will rehire and reset wages.
- Wage rates to sales % fluctuates massively between seasons for us. Some individual pay rates will be reviewed throughout the year.
- We are looking at keeping the staff but reducing the hours
- We have just increased all wages for full time staff and some part timers who have been here for a while and are regular. We time our wage increases to coincide with the minimum wage increases.
- We have just increased the rate for our kitchen hand and cafe assistant roles.
- We just increased all staff wages after the recent minimum wage increase and we had an internal restructure so any increases wont be for another 11 months unless there are more structure changes.
- We need to reduce our staff slightly for winter, will be hiring more over summer as we are seasonal and last winter was brutal. There are a lot more CV's coming through for junior roles though senior roles are more difficult still.
- We pay well for good people.
- · We simply cannot afford to pay more.
- We try to increase wages per CPI to maintain cost of living, however with other costs skyrocketing this may not be achievable this year.
- We would love to give staff a pay rise however the turnover and COGS does not allow us to at this stage. We are waiting for a change in the economy.

2025 Remuneration Survey Executive Summary |

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Good food is one thing. Good business is something else.

Our mission is to be the bridge between good food and good business so that your restaurant or cafe can become the best it can be. We're non-profit and passionate about our vibrant industry, which is full of interesting, talented and entrepreneurial people... people just like you.

Why choose us

We're want to do all we can do to grow and support our industry. Apart from all the great benefits you receive as a member, you'll be a part of something bigger.



Advocacy

Advocacy is at the heart of what we do –ensuring the industry's voice is heard when decisions are being made. We represent and provide leadership for our members on the major industry issues, changes in employment law, immigration and the minimum wage. The Restaurant Association has been vocal, calling for targeted support for our hospitality businesses.



Free Helpline

Our legally-trained experts help members with everything from employment relations, immigration and emergency support, to leases, food control plans and liquor licensing regulations. The value of this service alone will pay back your membership fee in one call.



Business Insights

With publications like the Hospitality Report, Remuneration Survey, Consumer Dining Insights, regular industry polls and industry updates we keep you up to date with the latest information. Use our reports to help you make decisions, benchmark how your business is operating and be informed. A copy of the full 2025 Remuneration Report results, which is provided in a spreadsheet format with full regional breakdowns, comparison to 2024, sector breakdowns and more, can be purchased from www.restaurantnz.co.nz (through the "Shop" section),

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The 2025 Hospitality Industry Remuneration Report Executive Summary is compiled by the Restaurant Association of New Zealand. If you have any questions, please contact us here:

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