



COVERSHEET

Minister	Hon Brooke van Velden	Portfolio	Workplace Relations and Safety
Title of Cabinet paper	Minimum Wage Review: Setting the 2026 rates	Date to be published	12 December 2025

List of documents that have been proactively released

Date	Title	Author
December 2025	Minimum Wage Review: Setting the 2026 rates	Office of the Minister for Workplace Relations and Safety
3 December 2025	Minimum Wage Review: Setting the 2026 rates ECO-25-MIN-0208 Minute	Cabinet Office

Information redacted

YES / NO (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of Confidential advice to Government.



Cabinet Economic Policy Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Minimum Wage Review: Setting the 2026 Rates

Portfolio **Workplace Relations and Safety**

On 3 December 2025, the Cabinet Economic Policy Committee:

- 1 **noted** that the National Party - New Zealand First Coalition Agreement commits to moderate increases to the minimum wage every year;
- 2 **noted** that the Ministry of Business, Innovation and Employment (MBIE) has provided the Minimum Wage Review 2025 and has recommended a 2 percent increase in the adult minimum wage to \$23.95;
- 3 **noted** that in setting the minimum wage rates for 2026, the Minister for Workplace Relations and Safety believes it is important that Cabinet consider that CPI inflation is forecast to ease, and that recent unemployment rates are high, particularly among young people;
- 4 **agreed** that the 2026 adult minimum wage rate be set at \$23.95 (2 percent increase);
- 5 **agreed** to maintain the starting-out and training minimum wage rates at 80 percent of the adult minimum wage agreed to above;
- 6 **agreed** that the minimum wage rate adjustments in paragraphs 4 and 5 will come into effect on 1 April 2026;
- 7 **invited** the Minister for Workplace Relations and Safety to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above paragraphs via an Order in Council;
- 8 **authorised** the Minister for Workplace Relations and Safety to make decisions, consistent with the policy in the paper under ECO-25-SUB-0208, on any issues that arise during the drafting process;
- 9 Confidential advice to Government

Rachel Clarke
Committee Secretary
Present: (see over)

Present:

Hon Nicola Willis (Chair)
Hon Chris Bishop
Hon Simeon Brown
Hon Brooke van Velden
Hon Shane Jones
Hon Dr Shane Reti
Hon Tama Potaka
Hon Simon Watts
Hon Chris Penk
Hon Penny Simmonds
Hon Andrew Hoggard
Hon Nicola Grigg
Hon Mark Patterson
Hon James Meager
Hon Scott Simpson
Simon Court MP

Officials present from:

Officials Committee for ECO