New Zealand Employers Plan 3.4% Salary Increases in 2027 as Workforce Costs Rise, Aon Study

AUCKLAND, 10 Nov. 2026 - Aon plc (NYSE: AON), a leading global professional services firm, projects that organisations in New Zealand will budget median salary increases of 3.4% in 2027, compared with median actual salary increases of 3.2% in 2026, according to the firm's 2026 Salary Increase and Turnover Study.

New Zealand employers are increasing salary budgets while weighing pay competitiveness and workforce capability alongside rising employment costs. Those costs now include the higher default employer KiwiSaver contribution rate, which rose from 3% to 3.5% on 1 April 2026. Aon's salary increase figures measure salary movements and exclude employer KiwiSaver contributions.

“New Zealand employers are continuing to invest in pay, but this is not a significant reset in salary spending. They are also managing wider workforce costs, including higher KiwiSaver contributions,” said Yvette O’Reilly, Associate Partner, Talent Data Solutions Business Leader, Pacific, Aon. “The opportunity is to understand where that investment will have the greatest impact, including where pay is less competitive, which skills are difficult to replace and where targeted investment will make the biggest difference.”

Salary Increase Outlook Remains Consistent Across Industries

Projected salary increases are closely grouped across industries. Consulting, business and community services, life sciences and medical devices and technology organisations are each projecting median salary increases of 3.5% in 2027, while manufacturing organisations are projecting 3.4%.

Financial services organisations reported a median projected increase of 3%, although the sample for this sector was smaller.

Industry	Median Actual Salary Increase in 2026 (%)	Median Projected Salary Increase in 2027 (%)
Overall New Zealand	**3.2**	**3.4**
Consulting, Business and Community Services	2.9	3.5
Financial Services	3.1	3
Life Sciences and Medical Devices	3.3	3.5
Manufacturing	3.2	3.4
Technology	3.5	3.5

Pay Is One Part of the Workforce Picture

Median voluntary turnover was 9.4% among organisations reporting turnover data for the 12 months ending 1 June 2026.

While turnover results varied among the industries with available data, Aon cautions that some industry-level turnover samples were small and should be treated as directional rather than representative of the wider sector.

The findings show the value of looking beyond a single national salary benchmark. Employers should consider pay competitiveness alongside employee movement, critical skills, workforce priorities and total employment costs.

“National averages provide a useful starting point, but the greatest value comes from understanding an organisation's specific workforce needs,” said Belinda Armenta, Head of Talent Data Solutions, Asia Pacific, Aon. “Combining salary data with employee movement and capability needs can help organisations make more informed decisions about where workforce investment will have the greatest impact.”

About the Study

Aon conducted its 2026 Salary Increase and Turnover Study for New Zealand from July to September 2026. The study included responses from up to 211 organisations, with sample sizes varying by measure.

Figures cited in this release are median results unless otherwise stated. The median actual salary increase for 2026 is based on 181 organisations, the median projected salary increase for 2027 on 143 organisations and median voluntary turnover on 52 organisations. Salary increase results include organisations reporting zero increases. Industry sample sizes vary and some industry-level turnover results should therefore be interpreted with caution.

Learn more about Talent Data Analytics at Aon in New Zealand here.

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