



HOST COMMUNITY

Sustainable Employment

Commitment 7: Businesses pay a fair wage to all staff

What does this mean?

- This Commitment is focused on the need for the tourism industry to position itself as an employer of choice.
- Central to this is the requirement that tourism businesses invest in the people they employ to operate the industry.
- Fair wage is established as the desired standard, with 'fair' being a subjective level based on paying staff appropriately for the skills and attributes they bring to their duties. It signals that all tourism staff should be paid above the minimum wage, but equally that all staff, regardless of their roles or seniority, are to be paid appropriately for their skills and responsibilities.
- At an industry level, the increasing professionalism of the industry will be driven by the quality of the people that it can attract to work within it. At a time of tightening migration policies, investing in locals to work in the tourism industry is crucial for the industry's future.

How does this benefit me?

- What sets New Zealand's tourism industry apart is the combination of our natural and man-made attractions, and our friendly and welcoming attitude. The blend of both is what defines the experience of visiting New Zealand. The workforce of our industry plays a crucial role in delivering that experience, and recognising and remunerating this contribution is key to sustaining overall industry success.
- By ensuring you are paying fair and competitive wages you can compete with other industries for the qualified and skilled labour that your business needs to effectively operate. Through paying your staff fairly, you reduce your staff turnover and boost motivation and commitment amongst your workforce.
- Having a skilled and dedicated workforce is closely associated with increased productivity and customer satisfaction levels. On the other hand, a workforce built around seasonal or low paid staff can drain a business of invaluable operational knowledge and the potential to innovate.
- A committed and motivated workforce will contribute positively to the experience of your visitors, which will be reflected in customer reviews and ultimately in your sales performance.
- A skilled and dedicated workforce provides the foundation for growth, innovation and staying ahead of your competition. Such a workforce can only be established if salaries are attractive and competitive.
- Paying fair wages establishes your business as a positive and committed member of your community and contributes strongly to securing the social licence that your business and the tourism industry requires to operate successfully.

Actions for your business

- View your staff as the most important asset of your business and remunerate accordingly. Fair wages should be the minimum to aim for.
- Recognise the power of a skilled, dedicated and well remunerated workforce to be the foundation for the growth, innovation and competitiveness of your business.
- Achieve tangible returns from paying fair wages by getting the most out of your staff. In tandem with paying fair wages, train, develop and empower your staff, and create an environment that fosters a strong sense of task ownership, individual initiative and innovation.
- Enhance the value of your employees to your business. Review all job descriptions on a regular basis to correspond with your strategic targets and the rising skill levels of your staff, and include tasks that will contribute to achieving your strategic goals in addition to routine tasks.
- This could be as simple as including monthly reporting of observations and suggestions in every staff member's job description. Not only will this provide you invaluable information about your business and staff, it will also help you to identify your most talented and committed employees.
- To maximise the benefits of a skilled workforce, make a critical review of your recruitment needs part of your annual business and strategy planning exercise.
- Act now and make a difference. For instance:
 - Review all positions in your business that are currently remunerated below the living wage and evaluate the cost and benefits of paying the living wage as a minimum to all your staff.
 - Consider the importance of your staff through the remuneration spectrum, particularly in light of the competition for the talents that exist for these skills and adjust their wages accordingly.
- Your staff costs are a major component of your overall business cost structure. This makes it important that you manage your workforce well. In most cases, seeking to achieve the smallest wage bill possible will not deliver the best outcome for your business.
- Treat your workforce as an asset to drive your success.

Become an inspiration for others!

We would love to share your contribution to creating a sustainable New Zealand tourism industry. Email us at info@tia.org.nz with your sustainability success stories and inspire others across the industry.

**Additional information, resources and useful links can be found on
www.sustainabletourism.nz**