



Core Investments

Budget 2026 | Fact sheet

Budget 2026 provides an additional \$328.1 million in operating expenditure (opex) over four years to address cost pressures and support day-to-day operations across the education system. Together, these investments continue to provide services to meet the needs of students nationwide, and to raise achievement.

Key initiatives

- **\$325.2 million** to increase school and ECE operational funding – to help manage costs and maintain provision.
 - an additional \$160.4 million to schools’ operational grants to support staffing costs, including teachers funded through the operational grant and non-teaching staff, curriculum delivery and day-to-day operating costs. This will help maintain education provision for around 856,400 school-aged children.
 - an increase to early learning subsidies of \$164.8 million to help early childhood services meet cost pressures such as teacher salaries, professional learning, rent, utilities and learning resources, supporting services attended by around 193,000 children.
- **\$2.9 million** in opex to support Te Kōhanga Reo National Trust manage cost pressures and support over 400 kōhanga reo nationwide.
- A tagged contingency to provide temporary and targeted support to education providers facing significant fuel price pressures, to help maintain education provision where costs cannot be met from existing resources.

Initiative	Funding	Facts
Early Childhood Education Cost Adjustment	\$164.8 million opex	This increases early learning subsidy rates to help services meet rising costs. The funding helps cover: <ul style="list-style-type: none"> • teacher salaries, • professional learning and development, • rent and utilities, and • learning resources, including play equipment.

Initiative	Funding	Facts
Schools' Operational Grant – Cost Pressure	\$160.4 million opex	<p>New Zealand schools serve approximately 856,412 children nationwide.</p> <p>This funding increase supports schools to help meet rising costs and maintain day-to-day operations.</p> <p>It contributes to:</p> <ul style="list-style-type: none"> • staffing costs for teachers funded through the operational grant and non-teaching staff, • curriculum delivery, • general operating costs such as heat, light, water, and repair and maintenance, and • ongoing support for school support staff, alongside Learning Support and locally raised funding.
Te Kōhanga Reo National Trust Cost Adjustment	\$2.9 million opex	<p>This funding helps Te Kōhanga Reo National Trust to meet inflationary and other cost pressures.</p> <p>It contributes:</p> <ul style="list-style-type: none"> • \$721,000 per year (a 12% increase) to help meet rising operating costs, • continued support for over 400 kōhanga reo nationwide, and • funding stability for the Trust's operations, including its 121 staff and 10 district offices.
Fuel Response Contingency	<i>Tagged contingency</i>	<p>This establishes a tagged contingency to temporarily support education providers facing significant fuel price pressures, where fuel costs cannot be managed through existing resources.</p> <p>It includes:</p> <ul style="list-style-type: none"> • targeted, time-limited support to mitigate the most significant fuel cost increases, and • funding draw-down requirements.