



# Early Childhood Education Funding Review, Ministerial Advisory Group consultation

Have your say on how the government spends money on early childhood education

Consultation is open on options for change to early childhood education (ECE) funding in New Zealand.

We think the ECE funding system could do more to:

- › support children’s development and help them learn, in turn leading to success in education and better life outcomes and
- › help parents and caregivers to work, to help families to thrive and
- › support a strong economy by helping people caring for children to work.

This is your chance to see what type of change is being considered, tell us how this would affect you and whether you support the possible changes.

## Introduction

Each year, the Government spends \$3.1 billion on early childhood education.

ECE plays a part in the daily lives of many New Zealanders:

**193,033 tamariki** attended ECE



**4,390**  
licensed services



supported by  
**33,712**  
teaching staff



and  
**3,554**  
home-based  
educators

*\*Information from the ECE census, completed June 2025.*

Associate Minister of Education Hon David Seymour appointed us in June 2025 as a Ministerial Advisory Group (MAG) to provide independent advice to government on how the ECE funding system could deliver more. He had four overlapping concerns about government spending on ECE:

- › Affordability and access
- › The balance between universal versus targeted funding
- › System complexity
- › Insufficient information on the impact of ECE

We will provide advice back to the Minister by the end of this year. Before we do, it's important to hear from people who could be impacted and who have knowledge and insights which could help us. To help you think about change, we're sharing what we have found so far, our work and ideas for possible change.

## What are the problems?

In late 2025 and early 2026, we met with services and providers, families, communities, teachers and educators, and organisations interested in ECE. We surveyed even more parents, employers of parents, and teachers. We heard from more than 2,000 people.

We've also been exploring the ECE funding system, using existing information and new work to help us think about what could be improved.

We found three key problems:

- › First, some whānau face barriers to accessing the type and amount of ECE they want for their tamariki. Cost, availability, location and service flexibility can affect children taking part in ECE.
- › Second, variation in ECE quality is likely to undermine the positive effects of ECE for tamariki and whānau, particularly for those who could benefit the most.
- › Third, government and whānau do not have enough information about ECE and the value it delivers for tamariki, whānau and society.

## What areas could change to address these problems

Our consultation document describes how the ECE funding system works now, and outlines the seven areas where we believe change could make a difference.

1. More of the funding available could be spent to support children, families and communities with greater needs.
2. Changing the approach to fees assistance to help families struggling with affordability.
3. Changing how ECE subsidies that support all tamariki are used, including changing the hours covered and funding for home-based care, to help working parents and whānau.
4. Simplifying funding bands that apply to teachers and affect the level of funding provided.
5. Reconsidering how government funding pays for the ECE workforce.

6. Strengthening information and reporting requirements.
7. Modernising and simplifying the funding system.

We've also identified a range of options in each of these areas.

This doesn't mean we are going to recommend change in all these areas - your feedback will help us to finalise our thinking.

You can find out more, access our full document or learn how to provide us feedback here: [Consultation on early childhood education funding system - Ministry of Education](#).

## What this could mean and who could be affected

Any recommendations from MAG must not increase overall government spending on ECE. This means that if our recommendations include spending more to address a problem in one area, we would need to save money elsewhere.

If these changes were confirmed, they could change things for families, providers and the workforce. Different options will affect different groups.

The options for change we've shared include options for additional spend in some areas, with options that could result in savings, so we are seeking your feedback on both spending and saving.

## Key questions

We want to know what you think about:

- › The areas of change the MAG has identified: Are they right? Are there others?
- › What options do you support or oppose, and why?
- › How might these changes impact you?
- › Is there anything else you would like the MAG to consider?

## How to have your say

You may want to:

- › Find out more about the consultation and next steps here [Consultation on early childhood education funding system - Ministry of Education](#)
- › Read more about what the MAG has heard, learned and is considering, in the detailed consultation document here [Consultation on early childhood education funding system - Ministry of Education](#)
- › Answer questions or provide feedback using this email:  
[ECE.FundingReview@education.govt.nz](mailto:ECE.FundingReview@education.govt.nz)

You don't need to answer every question in the form or read every section of the consultation. You can choose what is of interest or impact to you to comment on any part of the proposals, or raise other issues you think are important.

## What happens next

After consultation closes on 6 August, we will review the feedback and consider it alongside research, modelling, survey results, and advice from government agencies. We will use this information to develop our final recommendations to government by the end of the year.

We are committed to developing practical recommendations that deliver more from ECE – for children, families, the sector and wider community.

We look forward to hearing your views.

For more information on the MAG and its work, our website is being kept updated [here](#).

If you have a question for us, email [ECE.fundingreview@education.govt.nz](mailto:ECE.fundingreview@education.govt.nz)