



THE GROWTH BUDGET

Security and Resilience

BUDGET
2025

Hon Judith Collins KC Minister of Defence

22 May 2025

National security brings economic benefits

Pulling our weight in an increasingly volatile world will keep New Zealanders safe while boosting our domestic economy, Defence Minister Judith Collins says.

“To achieve this, the Government has allocated \$2.7 billion of capital and \$563 million of operating funding for priority projects identified in the Defence Capability Plan we released last month.

“This includes the replacement of maritime helicopters and complements the \$957 million for defence activities, personnel and estate previously announced,” Ms Collins says.

“This previous announcement, and today’s commitments, brings the total investment in Defence to \$4.2 billion in Budget 2025.

“Today we announce investments in critical tools that support our national and economic security. This ranges from updated and interoperable missile systems to counter uncrewed aerial systems (UAS) to protect our people and assets, through to planes that are essential for deploying troops and equipment and supporting international trade and diplomatic missions.

“We will be looking to use New Zealand businesses where it makes sense to do so, further demonstrating the Government’s commitment to supporting those who are innovative and capable of developing tools and capability that Defence needs.

“Ultimately, spending on Defence will result in economic benefits to everyday New Zealanders and New Zealand businesses. I look forward to seeing our Defence industry grow in a range of areas, whether through New Zealand designed or built products, particularly in the advanced technology area, infrastructure development, or domestic contractors supporting high-value military procurement.”

The \$2.7 billion in capital and \$563 million in operating funding announced today for priority Defence projects covers essential items including:

- replacing the two Boeing 757s to support military operations and deployments, humanitarian and disaster relief support, and trade and diplomatic missions
- replacing the Seasprite maritime helicopters to operate from Navy ships (previously announced)
- replacing the Javelin anti-armour missile system launch units with new units to ensure interoperability with partner militaries and provide the New Zealand Defence Force (NZDF) with the ability to fire at longer ranges
- encrypted radios to provide deployed Army units with secure voice communication
- a counter-UAS that can be set up in fixed locations and is able to disable drones/UAS that could pose a threat to personnel, aircraft/vehicles and infrastructure
- detailed design work for the future of Devonport Naval Base; and
- investment in homes for Defence families, Defence infrastructure, modernising the Defence vehicle fleet and digital and information management projects.

“These investments are critical to enable Defence to increase its lethality, protect New Zealand, and deliver what we expect of them,” Ms Collins says.

“The Defence Capability Plan outlines planned commitments of \$12 billion over the next four years - including \$9 billion of new spending - subject to future Budget decisions and Cabinet approving business cases. Our Budget commitments are yet another strong signal that we are cracking on and delivering on this plan, which will take Defence spending to 2 per cent of GDP by 2032/33.

“The Government’s backing of Defence shows a very real recognition of the value we place on the men and women who serve and protect this country and its interests.

“Our people are being called upon to go more places, more often and for longer to play New Zealand’s part in contributing to global security. This funding will enable them to do that.

“We will pull our weight.”

ENDS

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