

SECURING NEW ZEALAND'S FUTURE



**BUDGET
2026**

Hon Nicola Willis Minister of Finance

28 May 2026

A responsible Budget to secure NZ's future

Budget 2026 is a responsible Budget that boosts funding for essential services and invests in the infrastructure New Zealand needs for the future without breaking the bank, Finance Minister Nicola Willis says.

“At a time when many New Zealand families and businesses are still under pressure from higher living costs and global uncertainty, this Budget takes careful steps to support New Zealanders now while strengthening the economy for the years ahead.

“It will ensure New Zealanders can look forward to more jobs, higher incomes, stronger public services and a more affordable and secure country.

“Thanks to this Government’s careful management of the public finances, New Zealand is digging its way out of the post-Covid fiscal and economic hole. Balanced books are now in sight.

“The Budget forecasts the economy to grow by an average of 2.7 per cent over the next four years, with unemployment falling from 5.5 to 4.3 per cent and wages continuing to rise faster than inflation. The Government’s books are forecast to return to surplus in 2028/29, a year earlier than previously forecast, with debt beginning to fall sooner as a share of the economy.

“Returning to surplus and reducing debt means more of taxpayers’ money can go towards the frontline services and infrastructure New Zealanders rely on, rather than servicing ever-growing interest costs. It also means the Government is able to deliver timely, temporary and targeted support to households most affected by rising fuel prices while continuing to invest in New Zealand’s future.

“To build this future, this Budget invests in state highways, rail, hospitals, schools, social housing, courthouses, police stations and Defence capability New Zealand will rely on for decades to come. It also invests in resilience projects to help communities stay connected and recover faster following severe weather events and other disruptions.

“These investments will improve transport connections, strengthen public services, support economic growth and back thousands of jobs across New Zealand.

“The Budget drives forward energy, planning and public service reforms to make New Zealand more affordable, more resilient and better positioned for the next generation.

“It increases funding for health, education, and law and order, helps businesses to transition from gas to other forms of energy, funds the planning reforms needed to unlock growth and reserves, \$450 million for potential future temporary and targeted responses to the fuel crisis if required.

“This is a careful, measured Budget that continues the fiscal repair job begun three years ago while investing in the foundations of New Zealand’s future,” Nicola Willis says.

“Budget 2026 invests in essential frontline services, critical infrastructure and the reforms needed to secure a future where New Zealanders can look forward to more opportunity, higher wages, better public services and a more affordable country for the next generation.”

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