

SECURING NEW ZEALAND'S FUTURE



**BUDGET
2026**

**Hon Shane Jones
Minister for Regional Development**

**Hon Erica Stanford
Minister of Education**

**Hon Penny Simmonds
Minister for Tertiary Education**

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Budget doubles trade training opportunities

Budget 2026 will double trade training opportunities for secondary school students over the next few years, Education Minister Erica Stanford, Regional Development Minister Shane Jones and Tertiary Education Minister Penny Simmonds say.

“Trades Academies provide students with the opportunity to learn construction, mechanical, electrical, agricultural and other job-related skills while still at school,” Erica Stanford says.

“Many of those who attend are students who have disengaged from the classroom and would otherwise have very limited career options.”

Budget 2026 increases the number of Trades Academy places from 10,000 to 20,000 over the next four years. The increase in the number of places is being funded by savings from cancellation of final-year Fees Free.

Penny Simmonds says Trades Academies, which are a partnership between schools, tertiary institutions and employers, have a track record of success.

“They have been shown to increase young people’s participation in apprenticeships, and improve educational and employment outcomes.”

She says some of the savings from the cancellation of Fees Free are also being used to support 1,000 more school leavers with no or low qualifications into free study and work-relevant learning through polytechnics and other tertiary providers.

“These additional Youth Guarantee places provide wrap-around support to young people who need help to re-engage with learning, and offer a pathway to jobs, apprenticeships and further study,” Penny Simmonds says.

Shane Jones says almost \$2 billion has been spent on Fees Free over the past eight years with no real impact.

“Fees Free did not increase enrolments or completion rates, especially for those from low-income backgrounds.

“By making better use of this funding, the Government is ensuring more of New Zealand’s biggest asset, our young people, are not stuck because of a lack of opportunity. While university degrees are useful, we need more skilled trades as well. We want our young people to see trades as a viable, valued and rewarding career path.

Erica Stanford says the investment into the two initiatives will support senior learners in secondary school to access industry-led subjects and achieve new secondary qualifications. The New Zealand Certificate of Education will be introduced in 2029 and the New Zealand Advanced Certificate of Education in 2030.

The new funding for Trades Academy places will be phased in from the beginning of the 2027 school year. Funding for the additional Youth Guarantee places will start from 1 July 2026.

Penny Simmonds says, alongside this package, the Government is also lifting the funding rates for Youth Guarantee and other foundation education by 2 per cent. This funding will support providers to continue offering programmes that give learners the core skills they need to enter work or further training.

Funding is also being proved to meet additional forecast demand for tertiary education and training.

Final-year Fees Free will close at the end of December 2026, with those who complete a qualification in 2026 remaining eligible to claim their fees within 12 months of completion, up to 31 December 2027.

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