



**Hon Chris Hipkins**

Minister of Education

PRESS RELEASE

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## Investing in education so all Kiwis can succeed

- Fairer Equity Funding system to replace school deciles
- The largest step yet towards Pay Parity in early learning
- Local support for schools to improve teaching and learning
- A unified funding system to underpin the Reform of Vocational Education
- Boost for schools and early learning centres to help with cost of delivery

Four major milestones in the Government's reform of the education system will give every New Zealander the best chance to succeed, Education Minister Chris Hipkins announced today.

"Budget 2022 provides \$2 billion operating expenditure and \$855 million capital expenditure to build on and continue key shifts across the education system and deliver greater support to both education providers and learners," Chris Hipkins said.

### Equity Funding for schools

"We are increasing the amount for schools that have students facing equity challenges and replacing the outdated school decile system, which is a government commitment I am proud to be delivering.

"Almost \$300 million is being provided to implement a new Equity Index to replace the decile funding system. This includes \$75 million per year in additional equity funding for schools with higher levels of socio-economic need. The funding being provided in this Budget also sets us on our way to make similar changes for early learning in the future."

### Pay parity for early learning

Budget 2022 towards pay parity in early learning, between qualified, certificated teachers in education and care services and kindergarten teachers.

“This recognises the importance of a strong, capable education workforce and this Government’s commitment to delivering salary increases to lower paid workers,” Chris Hipkins said.

“A further \$266 million in operating funding over four years in Budget 2022 builds on the \$170 million provided through Budget 2021 to help deliver pay parity, and \$151 million through Budget 2020 provided for improving teacher pay. On top of that, funding has also been set aside to work with kōhanga reo to continue improving pay for kaimahi.

### **Frontline support for schools**

“Budget 2022 also continues our work to implement Supporting All Schools to Succeed (the reform of Tomorrow’s Schools), putting more frontline support closer to schools so they can best support their students, and with a strong focus on continued improvements in teaching and learning.

“\$22.3 million over four years will fund the first leadership advisor positions. These roles were a key recommendation of the Tomorrow’s Schools Taskforce. Together with the \$40 million already announced for the new Regional Response Fund, this will enable greater flexibility in working with schools and communities to provide the support they need.

### **Funding system for Vocational Education**

“Today we are also releasing the detailed design of the new unified funding system for vocational education. This is the crucial final component of our comprehensive and wide-ranging Reform of Vocational Education, and implements the \$279.5 million of additional funding announced for vocational education and training in Budget 2021.

“Funding is also being provided to meet rising costs in tertiary education, with \$266.9 million over four years for a 2.75 percent increase for tertiary tuition and training subsidies. \$112.7 million in funding (\$40 million of which is from existing baselines) is also being made available to increase funding for enrolments,” Chris Hipkins said.

### **Increases for schools and early learning centres**

“Budget 2022 includes a further 2.75 percent increase to funding rates in early learning services and a 2.75 percent increase to schools’ operational grants. Over the next four years, this totals an additional \$231.8 million going into early learning and \$184.4 million going into schools and kura.

“The funding rate increases across the system make up a significant investment of over \$750 million, going directly to education providers to support them to meet rising costs. Budget 2022 also includes targeted investment to help providers meet cost pressures in specific areas. There are funding boosts for New Zealand Sign Language education, school transport, and an increase to boarding allowances.

“This package delivers many providers in the early learning and schooling sectors with two increases to their funding, both through cost adjustments and specific initiatives to ensure services can continue and expand where needed,” Chris Hipkins said.

“Over the next four years, Budget 2022 puts \$62 million into driving key shifts in teaching and learning, with a particular focus on literacy and communication and mathematics, and in supporting the education workforce. This new funding includes dedicated resource to develop te reo matatini, pāngarau and aromatawai research, tools and resources, and builds on previous funding in Budget 2021 and the establishment of a curriculum centre.

“We want to set our children and young people up for the future. We are ensuring that what they are learning at school is interesting and relevant and there are opportunities for all learners, so that they want to be at school and are attending regularly. We want them to feel included, and we want to ensure there are tools and resources in place to support them where and when it’s needed,” Chris Hipkins said.

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