

Hon Jan Tinetti
Minister of Education

PRESS RELEASE
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Budget delivers support for tertiary education and training

- Extending the Apprenticeship Boost initiative
- Biggest boost to tertiary subsidies in 20 years
- Additional funds to support forecast enrolments
- Supporting Te Pūkenga's IT integration

Budget 2023 ensures New Zealand's tertiary education and training institutions are in the best possible position to prepare Kiwis for the future.

Extending the Apprenticeship Boost initiative

Budget 2023 extends the Apprenticeship Boost initiative to the end of 2024, at an expected cost of \$77.1 million, including new funding of \$17.1 million.

Apprenticeship Boost provides subsidies to employers of first- and second-year apprentices, to support those apprentices while working toward a qualification. As of March 2023, 57,040 apprentices have been supported through the initiative.

"The extension will enable an estimated 30,000 apprentices to start or continue being supported during challenging economic times. It continues the Government's focus on apprenticeships and ensuring a strong pipeline of skilled workers for key industries," Jan Tinetti said.

Tertiary funding

Budget 2023 increases tertiary subsidies, with additional increases for te reo Māori and mātauranga Māori provision.

"We know global inflationary pressures and the tough economic outlook have had a profound impact on our tertiary providers. The Budget is responding to those pressures and moving forward with our Tertiary Education Strategy." Jan Tinetti said.

“\$521 million over four years includes an across-the-board five percent increase from 2024 to help tertiary institutions manage increases in delivery costs and maintain the quality and accessibility of tertiary education and training. This is the biggest increase in at least 20 years.

“This funding ensures tertiary education and training remains relevant to students’ and employers’ needs, whether it be at a wānanga, a university, through an apprenticeship, or to learn foundational literacy and numeracy skills.

“It also includes a phased increase of 15 percent for Level 3 and above mātauranga Māori provision (including te reo Māori), phased in over four years.

“This increase will help tertiary organisations support the wider goal of growing Māori medium and kaupapa Māori education across the education sector and support language revitalisation efforts. It will particularly help wānanga, which deliver 75 percent of te reo Māori and other courses that promote the learning of mātauranga Māori,” Jan Tinetti said.

Additional funds to support forecast enrolments

While provider-based enrolments have decreased from 2021 levels, total enrolments across provider-based and work-based tertiary education (including apprenticeships) are expected to remain higher than pre-COVID levels in 2024 and 2025, requiring additional baseline funding.

The Government is therefore committing \$180.7 million in Budget 2023 allowing the Tertiary Education Commission to fund 16,000 more full-time equivalent students in 2024 and 13,000 more in 2025 than previous funding levels would have allowed.

Supporting Te Pūkenga’s IT integration

“Moving from 24 separate IT systems to a single integrated system is a massive task – but it’s crucial for financial sustainability and making sure Te Pūkenga is operating efficiently and without duplication.

“That’s why Budget 2023 provides Te Pūkenga with access to an interest-free Crown loan of up to \$220 million to support it to integrate IT systems. The investment in technology solutions will help it move towards a connected, national network which has long been signalled as a priority task for the entity.

“This investment will support students and employers to transition seamlessly between delivery sites and educational modes, so Te Pūkenga is a true long-term skills training partner to firms, operating both regionally and nationally,” Jan Tinetti said.

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