

2026 Funding rates including targeted rate examples

We have developed some examples to show how Budget 2025 targeted tuition subsidies have been calculated for 2026.

These examples explain how we have calculated the 2026 funding rates for Delivery at Levels 3 to 7 (non-degree) on the New Zealand Qualifications and Credentials Framework (NZQCF) and all industry training (DQ3-7), and Delivery at Levels 7 (degree) to 10 on the NZQCF (DQ7-10). Rates will be finalised following consultation on the 2026 funding mechanisms later this year.

DQ3-7 calculations

2026 funding rates for DQ3-7 in F1–F5 have been calculated by combining:

- 3% Budget 2025 increase for targeted areas,
- 2% vocational education and training (VET) increase for targeted areas, and
- -10% VET decrease for all work-based delivery.

The VET funding changes (both increases and decreases) were agreed by Cabinet separately to the Budget, so while the VET changes aren't formally part of Budget 2025 changes, they are factored into the final 2026 funding rates.

The VET changes are part of a rebalancing of funding within the VET sector. More information about these decisions will be released by the Ministry of Education in due course.

We have combined all percentage changes to reach a net percentage increase or decrease that is applied to the 2025 funding rate.

Mātauranga Māori (F6) has no Budget 2025 or VET changes but receives a 3.41% increase to the current 2025 funding rates, as agreed in Budget 2023.

You can view the net rate changes and final 2026 rates in the table at the bottom of this document.

Examples

Trades (F2)

Provider-based delivery receives a net funding increase of 5%.

2025 rate: \$10,469

Calculation: 3% targeted Budget increase plus 2% VET increase = net 5% targeted increase

2026 rate: \$10,992

Work-based delivery receives a net funding decrease of 7%.

2025 rate: \$7,825

Calculation: 3% targeted Budget increase minus 10% VET decrease = net 7% decrease

2026 rate: \$7,277

Arts (F1)

Provider-based delivery receives no funding rate change.

2026 rate is the same as the 2025 rate of \$6,584.

Work-based delivery receives a net decrease of 10%.

2025 rate: \$5,701

Calculation: -10% VET decrease

2026 rate: \$5,131

DQ7-10 calculations

2026 funding rates for DQ7-10 have been calculated by combining:

- 3% Budget 2025 increase for targeted areas,
- 1.75% Budget 2025 increase for targeted areas in DQ7-10 only (in response to time-limited 4% increase ending), and
- Factoring in the removal of the time-limited 4% increase. The 4% has been removed from the 2023 rate (rather than the 2025 rate). Examples of these calculations are shown below.

We have combined all percentage changes to reach a net percentage increase or decrease that is applied to the 2025 funding rate.

Mātauranga Māori (W) has no Budget 2025 changes, but receives a 3.75% increase to the current 2025 funding rate, as agreed in Budget 2023.

You can view the net rate changes and final 2026 rates in the table at the bottom of this document.

Examples

Undergraduate Arts (A2)

No Budget 2025 targeted increase applies so this rate receives a net decrease of 3.65% (due to the removal of the time-limited 4% increase).

2025 rate: \$7,563

2026 rate: \$7,287

Undergraduate Arts (A2) calculation workings

Rates/increases	Amount	Notes
2023 rate	\$6,770	
5% 2024 increase applied (from Budget 2023)	\$338.5	4% time-limited increase was previously added to this calculation (making it a total of 9% increase)
Revised 2024 rate	\$7,109	Excludes 4% time-limited increase
2.5% 2025 increase applied	\$177.8	
Revised 2025 rate	\$7,287	No increases applied to this rate for 2026
2026 rate	\$7,287	A net decrease of 3.65% from the current 2025 rate of \$7,563

Detailed calculation: The 2023 rate is the starting point. All Budget increases (excluding the time-limited 4%) are then applied. This means a 5% increase for the 2024 rate (instead of the previous 9%) and a 2.5% increase for the 2025 rate. This results in a revised 2025 rate which is lower than the current 2025 funding rate. Budget 2025 changes are then applied to the revised rate (where applicable).

As A2 only covers areas which don't receive any Budget 2025 targeted increases, the 2026 rate will equal the revised 2025 rate of \$7,287.

Undergraduate Priority Engineering (N2)

Budget 2025 has targeted increases of 3% and 1.75%, resulting in a net increase of 0.91% (due to the removal of the time-limited 4% increase).

2025 rate: \$15,433

2026 rate: \$15,574

Undergraduate Priority Engineering (N2) calculation workings

Rates/increases	Amount	Notes
2023 rate	\$13,814	
5% 2024 increase applied (from Budget 2023)	\$690.7	4% time-limited increase was previously added to this calculation (making it a total of 9% increase)
Revised 2024 rate	\$14,505	
2.5% 2025 increase applied	\$362.6	
Revised 2025 rate	\$14,868	
Combined 4.75% Budget 2025 targeted increase applied	\$706.1	Increase is applied to revised 2025 rate, not current 2025 rate
2026 rate	\$15,574	A net increase of 0.91% from the current 2025 rate of \$15,433

Detailed calculation: The 2023 rate is the starting point. All Budget increases (excluding the time-limited 4%) are then applied. This means a 5% increase for the 2024 rate (instead of the previous 9%) and a 2.5% increase for the 2025 rate. This results in a revised 2025 rate which is lower than the current 2025 funding rate.

The Budget 2025 targeted 3% and 1.75% increases are then combined and applied to the revised 2025 rate, which results in the 2026 rate of \$15,574.

2026 funding rate changes, DQ3-7

Key information about the targeted rate increase

- Targeted areas are those aligned with trades, agriculture, engineering and health sciences (F2, F3, F4).
- Provider-based rates for non-targeted areas (F1 and F5) were not changed and remain the same as the current 2025 funding rate.
- All provider-based F2, F3 and F4 provision receives both the 3% targeted Budget 2025 increase, and the 2% targeted VET increase. For example, trades received the 3% and 2% targeted increases under F2, so all other subjects within F2, such as architecture and computer science, receive the same funding rate increases.
- All work-based delivery receives a VET rate decrease of 10%, but the net decrease is 7% for F2 - F4 due to also receiving the 3% targeted Budget 2025 increase.

Targeted subject areas are in **bold**. Final 2026 funding rates for targeted areas are in **green**. Final 2026 funding rates for non-targeted areas are in **red** if changed. 2025 funding rates are in black.

All Budget 2025 targeted increases are 3%. The net increase/decrease is represented in the table, including the VET rate changes of a 2% increase for targeted areas, and a 10% decrease for work-based mode.

DQ3-7 subject category	Delivery classification guide numbers and subject areas	Provider-based	Provider-based: extramural	Work-based	Work-based: pathway to work	Assessment and verification
F1 Humanities, Business and Social Service Vocations	#03: Arts; Advanced Studies for Teachers; Health Therapies; Humanities; Languages; Social Sciences #04: Business; Accountancy; Office Systems/Secretarial; Management #5.2: General Education (unclassified) #14: Law	\$6,584 No change	\$6,584 No change	\$5,701 ↓ 10% \$5,131	\$6,901 No change	\$1,658 No change
F2 Trades, Creative Arts, Information Technology and Health-related Professions	#02: Architecture; Quantity Surveying #06: Computer Science #12: Fine Arts; Design #16: Music and Performing Arts #17: Health Related Professions #22: Trades	\$10,469 ↑ 5% \$10,992	\$10,469 ↑ 5% \$10,992	\$7,825 ↓ 7% \$7,277	\$9,732 No change	\$1,658 No change
F3	#01: Agriculture and Horticulture	\$11,786 ↑ 5%	\$11,786 ↑ 5%	\$8,543 ↓ 7%	\$10,693 No change	\$1,658 No change

Agriculture, Engineering, Health Sciences and Science	#3.1: Osteopathy; Acupuncture #11: Engineering, Technology #13: Health Sciences #18: Science	\$12,375	\$12,375	\$7,945		
F4 Pilot Training and Priority Engineering	#11.1: Priority Engineering (leading to qualifications at Level 5 or above) #11.2: Pilot Training	\$14,419 ↑ 5% \$15,140	\$14,419 ↑ 5% \$15,140	\$9,984 ↓ 7% \$9,285	\$12,613 No change	\$1,658 No change
F5 Foreign-going Nautical and Specialist Agriculture	#01: Agriculture and Horticulture (leading to qualifications at Level 5 or above) #38: Foreign-Going Nautical	\$19,753 No change	\$19,753 No change	\$12,900 ↓ 10% \$11,610	\$16,499 No change	N/A
F6 ¹ Mātauranga Māori and Te Reo Māori	#42: Mātauranga Māori and Te Reo Māori	\$7,827 ↑ 3.41% \$8,094	\$7,827 ↑ 3.41% \$8,094	\$7,827 ↑ 3.41% \$8,094	\$7,827 ↑ 3.41% \$8,094	\$1,782 ↑ 3.41% \$1,843

Māori and Pacific Trades Training (MPTT) Funds do not receive any Budget or VET rate changes.

¹ F6 is excluded from the 2025 Budget targeting, but benefits from a Budget 2023 decision to increase the funding rate by 15% by 2027, across all modes. This is a 3.41% increase for 2026. These figures are represented in purple.

2026 funding rate changes, DQ7-10

Key information about the targeted rate increase

- Targeted areas of provision are identified in **bold** in the table below. The majority of these areas receive a 3% and 1.75% increase. Nursing receives a 3% increase only.
- The time-limited 4% increase for DQ7-10 funding rates introduced in 2023, ends on 31 December 2025. See the examples above for information on detailed calculations.
- Some targeted areas of provision will have new classification codes for 2026 (Mathematics, Medical Imaging and Optometry). Information on the new classifications will be available later in the year.
- In other areas, non-targeted provision within a funding category containing a targeted subject area will receive the same rate increase.
- Some increases for targeted areas apply only to one level of study.
- The table below details these various changes.

Targeted subject areas are in **bold**. Final 2026 funding rates for targeted areas are in **green**. Final 2026 funding rates for non-targeted areas are in **red**. 2025 funding rates are in black.

All Budget 2025 targeted increases are 4.75% (except nursing degree which is 3%). The net increase/decrease is represented in the table, including the end of the 4% time-limited increase.

Category	Relevant discipline and delivery classification	1 ²	2	3	4
A	Arts; Advanced Studies for Teachers; Health Therapies; Humanities; Languages; Social Sciences [#03], General Education [#5.2], Mathematics (moved)	\$7,563 ↓ 3.65% \$7,287	\$7,563 ↓ 3.65% \$7,287	\$9,547 ↓ 3.68% \$9,196	\$10,096 ↓ 3.66% \$9,726
TBC new category	Mathematics (moved from A1-4 and will be assigned a new classification number). Mathematics will receive funding rate increases for (new category)1-4.	\$7,563 ↑ 0.93% \$7,633	\$7,563 ↑ 0.93% \$7,633	\$9,547 ↑ 0.90% \$9,633	\$10,096 ↑ 0.91% \$10,188
B	Architecture; Quantity Surveying (non-degree) [#02], Computer Science [#06], Fine Arts [#12], Design [#12], Music and Performing Arts [#16], Health Related Professions [#17], Medical Imaging [#25] (moved) , Occupational Therapy [#28]	\$11,571 ↓ 3.66% \$11,147	\$11,571 ↓ 3.66% \$11,147	\$14,710 ↓ 3.67% \$14,170	\$15,815 ↓ 3.67% \$15,235
TBC new category	Medical Imaging [#25] (moved from B2). Medical Imaging will receive a funding increase for (new category)2 only.		\$11,571 ↑ 0.91% \$11,676		
Category C below: Medical Laboratory Science is the targeted priority, but all other areas of provision included in C2 receive the increase. The increase only applies to C2. There is no increase to provision funded at C1, C3 or C4.					
C	Architecture; Quantity Surveying (degree) [#02], Engineering; Technology [#11], Health Sciences	\$13,911 ↓ 3.67% \$13,401	\$13,911 ↑ 0.91% \$14,038	\$17,681 ↓ 3.67% \$17,032	\$19,028 ↓ 3.67% \$18,330

² See numeric code table below for detailed information on numeric categories.

	[#13], Midwifery [#27], Physiotherapy [#29], Speech Language Therapy [#32], Medical Laboratory Science [#33]				
G	Dentistry (postgraduate only) [#7], Medicine (postgraduate only) [#15]			\$32,250 ↓ 3.67% \$31,066	\$32,250 ↓ 3.67% \$31,066
Category H below: Agriculture and Horticulture are the targeted priorities, but Specialist Large Animal Science also receives the increase. The increase applies to provision funded at H2, H3 and H4.					
H	Agriculture; Horticulture (degree and/or diploma/certificate in specialised Agriculture and Horticulture) [#01], Specialist Large Animal Science [#39]		\$25,085 ↑ 0.90% \$25,312	\$31,636 ↑ 0.91% \$31,923	\$33,193 ↑ 0.90% \$33,493
I	Teaching [#19.1, #19.2, #20]	\$12,025 ↑ 0.91% \$12,134	\$12,025 ↑ 0.91% \$12,134	\$15,080 ↑ 0.90% \$15,216	\$15,629 ↑ 0.90% \$15,770
J	Business; Accountancy; Office Systems/Secretarial Management [#04], Law [#14]	\$7,563 ↓ 3.65% \$7,287	\$7,563 ↓ 3.65% \$7,287	\$9,547 ↓ 3.68% \$9,196	\$10,096 ↓ 3.66% \$9,726
Category L below: Agriculture and Horticulture are the targeted priorities, and this increase applies to L1. Nursing is a targeted priority but with an increase of 3% only that applies to L2 only. This increase also applies to Osteopathy and Acupuncture. There is no increase to provision funded at L3 or L4.					
L	Agriculture; Horticulture (non-degree) [#01], Osteopathy [#03.1], Acupuncture [#03.1], Nursing [#24]	\$13,000 ↑ 0.91% \$13,118	\$13,000 ↓ 0.78% \$12,899	\$16,392 ↓ 3.67% \$15,791	\$17,495 ↓ 3.67% \$16,853
M	Pilot Training [#11.2], Optometry [#13.1] (moved) , Dental Therapy [#17.3], Pharmacy Professionals [#31]	\$16,558 ↓ 3.67% \$15,950	\$18,867 ↓ 3.67% \$18,174	\$23,689 ↓ 3.67% \$22,820	\$25,227 ↓ 3.67% \$24,302
TBC new category	Optometry [#13.1] (moved from M2-4). Optometry will receive funding increases for (new category)2-4.		\$18,867 ↑ 0.90% \$19,037	\$23,689 ↑ 0.91% \$23,904	\$25,227 ↑ 0.91% \$25,456
Category N below: Priority Engineering is a target priority, but the increase also applies to Dietetics. The increase applies to all N provision.					
N	Priority Engineering [#11.1], Dietetics [#36]	\$15,433 ↑ 0.91% \$15,574	\$15,433 ↑ 0.91% \$15,574	\$19,416 ↑ 0.90% \$19,591	\$20,897 ↑ 0.90% \$21,086
O	Medical Radiation Therapy [#30]		\$26,869 ↑ 0.90% \$27,112		
Q	Veterinary [#23], Veterinary Science (years 3–5) [#23.3]		\$37,327 ↑ 0.91% \$37,666	\$37,327 ↑ 0.91% \$37,666	\$37,327 ↑ 0.91% \$37,666
R	Dentistry undergraduate (years 2–5) [#07]		\$63,735 ↓ 3.67% \$61,395		
S	Foreign-Going Nautical [#38]	\$23,017 ↓ 3.67% \$22,173			
T	Medicine undergraduate (years 2–3) [#15]		\$52,553 ↑ 0.91% \$53,030		
U	Medicine undergraduate (years 4–		\$52,553		

	6) [#37]		↑ 0.91% \$53,030		
V	Science [#18], Clinical Psychology [#34]	\$13,528 ↑ 0.90% \$13,650	\$16,533 ↑ 0.90% \$16,682	\$20,841 ↑ 0.91% \$21,031	\$22,245 ↑ 0.91% \$22,447
W³	Mātauranga Māori and Te Reo Māori [#42]	\$8,114 ↓ 0.25% \$8,094	\$8,114 ↓ 0.25% \$8,094	\$10,241 ↓ 0.27% \$10,213	\$10,830 ↓ 0.25% \$10,803

Numeric code table

Category (numeric)	Classification by level and content of study
1	Courses designed for non-degree programmes or credentials with no research requirement, including certificates and diplomas
2	Courses designed for undergraduate degree programmes or credentials, including bachelors degrees, graduate certificates and diplomas
3	Courses designed for taught postgraduate programmes or credentials, including postgraduate certificates and diplomas, bachelors degrees with honours, and taught masters papers
4	Research-based postgraduate programmes, including masters' theses/dissertations of 1.0 EFTS or more for masters and doctoral study

Foundation funds receiving the Budget 2025 3% increase

- ACE Emergency Management Pool
- ACE in Communities
- ACE in TEIs
- ACE Search and Rescue
- ESOL - Intensive Literacy and Numeracy
- ESOL - Refugee English Fund
- LN - Intensive Literacy and Numeracy
- LN - Workplace Literacy Fund
- Gateway
- Qualifications at Levels 1 and 2
- Youth Guarantee (Incl Premium and Wellbeing)

The Māori and Pacific Trades Training (MPTT) Fund does not receive any Budget or VET rate changes. MPTT is not a direct tuition subsidy. It covers fees top-ups, brokerage and consortium activities. Tuition subsidies are funded through DQ funds, which have received the other targeted cost adjustments.

³ W is excluded from the 2025 Budget targeting, but receives a 3.75% increase in 2026 due to a Budget 2023 decision to increase the funding rate by 15% by 2027. These figures are represented in purple.