

SECURING NEW ZEALAND'S FUTURE



**BUDGET
2026**

**Hon Nicola Willis
Minister of Finance**

**Hon Chris Bishop
Minister for Infrastructure**

28 May 2026

Budget delivers \$7 billion capital investment boost

A \$7 billion capital investment in Budget 2026 will strengthen the resilience of New Zealand's infrastructure and support thousands of jobs, Finance Minister Nicola Willis and Infrastructure Minister Chris Bishop say.

"Thanks to the Government's careful management of the country's finances, new funding is able to be invested in hospitals, schools, roads, rail, defence capability, social housing and local infrastructure," Nicola Willis says.

The Budget infrastructure package includes funding for:

- a new 158-bed tower block at Whangārei Hospital
- design and enabling works for redevelopments at Tauranga, Hawke's Bay and Palmerston North regional hospitals
- the redevelopment of up to 10 schools, the acquisition of land for future school sites in high growth areas such as Queenstown, and the construction of up to 232 new classrooms
- the next stage of the Waikato expressway
- a suite of transport resilience projects
- renewing and upgrading the rail network
- up to an additional 2250 social homes
- new courthouses in Rotorua; and
- new police stations in Greymouth and Whanganui
- upgraded Defence training facilities and modern homes for defence personnel; and
- critical maintenance to extend the life of the navy's frigates

“New Zealanders deserve public infrastructure that is safe, modern and fit for purpose.

“They expect to be able to get to work on reliable roads and rail, send their kids to good schools, access quality healthcare, and know the country is prepared for an uncertain future,” Nicola Willis says.

Chris Bishop says Budget 2026 invests in the infrastructure New Zealand needs.

“It will help to build a more resilient New Zealand that is better prepared for global economic shocks, natural disasters, and population growth.

The \$7 billion of new capital spending in the Budget is offset by \$1.3 billion of savings, for a net capital impact package of \$5.7 billion.

“The Infrastructure Commission estimates that every billion dollars of infrastructure investment a year supports about 4500 jobs. Based on this rule of thumb, the Budget’s investments will support thousands of jobs in trades, construction and more.

“Part of the investment has been funded by making better use of the Crown’s balance sheet.

“The planned early monetisation of the Crown’s Chorus debt is expected to free up hundreds of millions of dollars of capital which will go right back into schools, hospitals, and roads. This is a practical example of how responsible asset recycling can help us build the future and grow the economy.

“As a small trading nation at the bottom of the world, New Zealand cannot afford to be complacent about resilience.

“Communities deserve public infrastructure that is safe, modern and fit for purpose. These investments will support frontline services and improve resilience in regional New Zealand.

“Budget 2026 is focused on practical investments that strengthen New Zealand’s resilience, support economic growth, and improve the everyday lives of New Zealanders,” Chris Bishop says.

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