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Federal budget delivers vital support for essential workers, but falls short of ambitious education reforms

The 2026 federal budget has delivered timely support to IEU members and their families dealing with cost-of-living pressures and soaring housing costs.

However, it offers few new commitments for a continued program of education reform. Our union will continue to campaign for the additional resources and support needed to underpin high-quality education in every school and early childhood education service.

The budget rightly focuses heavily on [housing affordability](#), introducing new housing and tax measures aimed at restoring fairness. Teachers, support staff and the ECEC workforce are at the centre of this generational challenge, often unable to live and work in their [local community](#).

While IEU members continue to win wage increases across the country, [prices are rising faster](#). Essential workers are being locked out of home ownership or squeezed by high rents. It will take a graduate teacher over 20 years just to save for a 20% house deposit.

This is why the IEU is part of a national [union campaign](#) for fair and secure housing. The budget measures mark an important step towards rebalancing fairness in the housing system.

The [ECEC Worker Retention Payment](#), which supports higher wages for around 200,000 workers, is due to expire this year, yet the budget failed to confirm the funding needed to continue the program. This is now an incredibly urgent priority for the sector. The payments must be extended to maintain workforce stability and support high-quality early education.

The budget also missed an opportunity to build on the education reforms and positive changes introduced over the past four years by the ALP government.

For years, the IEU [campaigned](#) for paid student teacher practicums and the introduction of [payments in 2024](#) was groundbreaking, but they need to be increased. The regional and remote HELP debt relief, championed by [IEU members](#) in a recent Parliamentary review, should be expanded to support more teachers in more regional locations.

School employers have primary responsibility for managing teacher workload, yet the federal government can play a stronger leadership role. [Practical measures](#) under the National Teacher Workforce Action Plan should be revisited and updated to ensure a consistent national effort to address what is the most [pressing problem](#) in school workplaces.