

26 June 2025

Tēnā koe

Official Information Act request

Thank you for your email of 27 May 2025, requesting information about the wage subsidy scheme.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on each part of your request set out separately below.

1. In July 2021, MSD emailed a sample of 1000 recipients of the COVID-19 wage subsidy scheme. The survey was in response to a recommendation from the Auditor-General that MSD needed to confirm that wage subsidy recipients were compliant with the criteria for accepting the subsidy. I understand that 136 recipients were deleted from the survey because of 'data limitations".

I would like to know:

a. What were the data limitations that caused the deletion of 136 recipients?

In response to recommendations made by Audit NZ and the Office of the Auditor General (OAG),¹ a random sample of 1,000 Wage Subsidy recipients was intended to be selected.²

The survey that was sent out to selected recipients included a link to a declaration to indicate that the recipient met the eligibility and obligations under the Wage Subsidy Scheme.

When initial tracking of survey responses began, it was identified that the sample had erroneously included recipients based on the date they received the wage subsidy payment instead of the date that they applied for the wage subsidy. In practice, this meant that some of the sample had applied under previous wage

¹ It was recommended that the Ministry obtain written confirmation of compliance with the schemes, which could be focused on larger employers.

² Eligible recipients included those that had applied for the Wage Subsidy Scheme from 28 March 2020 onward.

subsidy declaration versions, not the most current declaration version provided in the survey.³ As a result of this, a decision was made to exclude recipients who had applied under a previous declaration.

In other cases, due to the time elapsed since receiving the subsidy in scope of the sample, some responses 'bounced back' from email addresses no longer in use – for example, where the person who submitted the application was no longer associated with the business, or where the business that received the subsidy was no longer operating or was under new ownership.

Furthermore, the contact details supplied on Wage Subsidy applications did not differentiate between those of the business and those of persons acting on behalf of the business (e.g. accountants). Where the survey was sent to persons acting on behalf of businesses, because the survey did not name the specific business applied for, a number of responses were received for companies not intended to be included in the sample including those relating to previous wage subsidy declarations applied under. However, where additional responses were for businesses which received the subsidy under the declaration linked from the survey, these were included as valid responses.

- b. Were the 136 recipients that were deleted, because of data limitations, in the group of 500 businesses surveyed with more than 80 staff?
- c. 47 recipients could not be traced. Were these 47 recipients in the group of 500 businesses with more than 80 staff?

In order to provide you with this information, the Ministry would need to divert personnel from their core duties and allocate extra time to complete this task. The diversion of these resources would impair the Ministry's ability to continue standard operations and would be an inefficient use of the Ministry's resources. As such, the above parts of your request is refused under section 18(f) of the Act, as it requires substantial collation. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your requests given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

2. A joint report to the Minister of Social Welfare and the Minister of Finance, dated 2 March 2021 and entitled "Operational settings for the COVID -19 wage subsidy March 2021 Scheme" said that a: "Pro-active email will be sent to all applicants at the end of the first and any subsequent payment period as an additional integrity process to mitigate the risk that actual revenue does not meet eligibility criteria initially satisfied using predicted revenue."

I would like to know:

³ At that time, the most current declaration version was as-at 4pm on 27 March 2020.

- For the August 2021 wage subsidy scheme, was an email sent to all applicants after each of the 8 fortnightly payments under the August 2021 scheme?

Recipients of a Wage Subsidy August 2021 payment were sent an email at the end of the 2-week payment period encouraging them to apply for the next payment round if they were eligible. The emails contained standard wording asking applicants to consider their circumstances carefully before applying and to make sure they understood all obligations in the relevant declaration they were agreeing to, and that if their predicted decline in revenue never materialised, that they would have to repay the subsidy.

More information about the Wage Subsidy 2021 August scheme, and all the relevant declarations, can be found at this publicly available link COVID-19 Wage Subsidy August 2021 - Work and Income.

3. The MSD website has a search facility, the: "COVID-19 wage subsidies - employer search".

I would like to know:

- The total number of employers recorded in this search facility.

Please refer to the table below which provides the number of employers recorded in the MSD website COVID-19 wage subsidies – employer search as at end of April 2025.

Application type	Number of businesses
Employer	114,144

Table Notes:

- To protect confidentiality, the Ministry of Social Development uses processes to make it difficult to identify an individual person or entity from published data.
- These data tables have had random rounding to base three applied to all cell counts in the table.
- The impact of applying random rounding is that columns and rows may not add exactly to the given column or row totals.
- The published counts will never differ by more than two counts.
- Employers with 3 employees or less are not, for privacy reasons, recorded in the search facility. I would like to know how many employers with 3 or less employees have been paid the wage subsidy.

Please note the COVID-19 wage subsidies – employer search excludes employers with two or less employees rather than three or less. As such, I have provided you with the number of employers with two or less employees and number of sole traders as at end of April 2025 below.

Application type	Number of businesses
Employer	119,181
Sole Trader	275,682
Total	394,866

Table Notes:

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- These data tables have had random rounding to base three applied to all cell counts in the table.
- The impact of applying random rounding is that columns and rows may not add exactly to the given column or row totals.
- The published counts will never differ by more than two counts.
- Employer can apply for the same wage subsidy scheme for the same employee more than once. This data counts distinct employees per employer and per wage subsidy scheme.
- All the sole traders do not have an employee.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

pp.

Anna Graham

Lhauler

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