



- 7 JUL 2021

Tēnā koe

On 11 May 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following information:

Would it be possible to find out who the biggest claimants were for the wage subsidy?

On 12 May 2021, you refined your request to the following:

- *The names of the ten largest claimants overall and what they each claimed overall through the scheme and its extensions,*
- *the names of the ten largest claimants that have voluntarily repaid the subsidy and how much they each claimed and returned,*
- *the ten largest claimants that have repaid because it was compulsory and how much they claimed and what was returned, and*
- *the ten largest claimants who have disputed MSD's demand for repayment and what they claimed. (Largest in terms of quantum of subsidy payment).*
- *Additionally how many possible prosecution cases are being considered, and what the value of those payouts in total.*

On 10 June 2021, a letter was sent to you to advise you that the Ministry had received your request, however required more time to respond to your request, and that a decision will be made by 24 June 2021.

On 24 June 2021, the Ministry contacted you to advise you that the Ministry had decided to grant your request in part, however it will take some time to prepare this information for release, and that the Ministry intended to send the information to you by 14 July 2021.

The Wage Subsidy has enabled rapid support for thousands of New Zealand businesses during this time of uncertainty and has ensured that employees are able to remain connected with their employers during the COVID-19 lockdown.

The Government has previously made it clear that the Wage Subsidy scheme has been set up on a high-trust model, in order to deliver funds to support workers, families and businesses.

As part of the application, businesses were required to sign a declaration that they had met the scheme's eligibility criteria. This included revenue-related obligations required to be met for an applicant to be entitled to a payment. The declarations are extensive and include an agreement that details in the application may be verified with other agencies, obligations in terms of use of the subsidy, and consequences of non-compliance.

The declarations for each of the respective COVID-19 Wage Subsidies can be found on the Ministry's website at the following links:

- www.workandincome.govt.nz/online-services/covid-19/declaration-wage-subsidy.html (for the original Wage Subsidy on or after 4pm 27 March 2020).
- www.workandincome.govt.nz/online-services/covid-19/wage-subsidy-declaration.html (for the original Wage Subsidy before 4pm 27 March 2020).
- www.workandincome.govt.nz/online-services/covid-19/declaration-wage-subsidy-extension.html.
- www.workandincome.govt.nz/online-services/covid-19/declaration-resurgence-wage-subsidy.html.

For the sake of clarity, your questions will be addressed in turn below.

- *The names of the ten largest claimants overall and what they each claimed overall through the scheme and its extensions.*

Please see **Table One** below, showing the list of the top 10 claimants of the COVID-19 Wage Subsidy, as at 11 June 2021.

Table One: List of the top 10 claimants of the COVID-19 Wage Subsidy as at 11 June 2021.

Business Name	Amount Claimed
Air New Zealand Limited	\$116,938,722.40
FLETCHER BUILDING HOLDINGS LIMITED	\$67,683,717.60
THE WAREHOUSE LIMITED	\$51,988,574.40
Silver Fern Farms Limited	\$43,252,773.60
Downer New Zealand Limited	\$38,245,411.60
Alliance Group Limited	\$34,394,506.00
Fulton Hogan Limited	\$34,254,796.80
SkyCity Management Limited	\$31,208,432.80
New Zealand Post Limited	\$29,996,843.40
Spotless Facility Services (NZ) Limited	\$28,719,512.80

Notes:

- Businesses are by distinct IRD numbers.
- Subsidy refunds may be for more than one scheme

- *The names of the ten largest claimants that have voluntarily repaid the subsidy and how much they each claimed and returned,*

Please see **Table Two** below, showing the list of the top 10 claimants of the COVID-19 Wage Subsidy who have made at least one voluntary repayment as at 11 June 2021.

Table Two: List of the top 10 claimants of the COVID-19 Wage Subsidy who have made at least one voluntary repayment as at 11 June 2021.

Business Name	Amount Claimed	Recover Reason Group	Amount Repaid
Air New Zealand Limited	\$116,938,722.40	Voluntary Disclosure	\$497,919.45
THE WAREHOUSE LIMITED	\$51,988,574.40	Voluntary Disclosure	\$51,988,574.40
Silver Fern Farms Limited	\$43,252,773.60	Voluntary Disclosure	\$39,925,429.60
Downer New Zealand Limited	\$38,245,411.60	Voluntary Disclosure	\$193,045.16
Alliance Group Limited	\$34,394,506.00	Voluntary Disclosure	\$32,535,215.65
Fulton Hogan Limited	\$34,254,796.80	Voluntary Disclosure	\$939,666.41
SkyCity Management Limited	\$31,208,432.80	Voluntary Disclosure	\$114,482.30
New Zealand Post Limited	\$29,996,843.40	Voluntary Disclosure	\$165,463.29
Spotless Facility Services (NZ) Limited	\$28,719,512.80	Voluntary Disclosure	\$647,114.68
The Farmers Trading Company Limited	\$28,084,920.00	Voluntary Disclosure	\$54,549.20

Notes:

- Businesses are by distinct IRD numbers.
- Subsidy refunds may be for more than one scheme.

- *The ten largest claimants that have repaid because it was compulsory and how much they claimed and what was returned, and*

To check that businesses meet the Wage Subsidy scheme's eligibility criteria, the Ministry conducts targeted integrity checks based on a risk analysis carried out with Inland Revenue, and by following up on allegations received through the complaints process.

From our integrity programme, we have found that in the vast majority of cases, employers are doing the right thing. In many cases where entitlements have been wrongly claimed, it is due to uncertainty about the eligibility criteria, rather than deliberate attempts at deception.

Where employers have claimed money that they are not entitled to, the Ministry has several avenues open to it, including requesting repayment. In the most serious cases, where there is evidence of deliberate fraud, the Ministry will consider criminal prosecution. However, decisions about prosecutions are made only after a thorough investigation process.

Please see **Table Three** below, showing the list of the top 10 claimants of the COVID-19 Wage Subsidy who have made at least one requested repayment as at 11 June 2021.

Table Three: List of the top 10 claimants of the COVID-19 Wage Subsidy who have made at least one requested repayment as at 11 June 2021.

Business Name	Amount Claimed	Recover Reason Group	Amount Repaid
Air New Zealand Limited	\$116,938,722.40	Requested	\$3,304,737.62
AWF Limited	\$24,865,268.40	Requested	\$16,988.20
OCS Limited	\$24,446,694.80	Requested	\$161,148.00
Madison Recruitment Limited	\$9,987,328.80	Requested	\$46,864.00
Hospitality Services Limited	\$9,190,318.40	Requested	\$198,218.57
FARMLANDS CO-OPERATIVE SOCIETY LIMITED	\$9,157,958.40	Requested	\$4,200.00
Electrix Ltd	\$7,951,848.00	Requested	\$30,922.35
ISO Limited	\$6,369,832.80	Requested	\$7,029.60
CMP Canterbury Limited	\$6,312,930.80	Requested	\$521,689.00
YMCA North Incorporated	\$6,247,286.80	Requested	\$8,400.00

Notes:

- Businesses are by distinct IRD numbers.
- Subsidy Refunds may be for more than one scheme.

- *The ten largest claimants who have disputed MSD's demand for repayment and what they claimed. (Largest in terms of quantum of subsidy payment).*

This information is not centrally held, and I am unable to provide you with this information as it is held in notes on individual case files. As such, I refuse your request under section 18(f) of the Act. 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 request 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.

Furthermore, if the information was readily available, it would be withheld under section 6(c) of the Act, as making the information available would be likely to prejudice the maintenance of the law, including the prevention, investigation and detection of offences.

- *Additionally how many possible prosecution cases are being considered, and what the value of those payouts in total.*

I can confirm that the Ministry has not approved any cases for prosecution to date. The Ministry cannot predetermine the likely outcome of an investigation, and decisions on whether a case should be prosecuted or not will only be made following the assessment of all evidence gathered, once a full investigation has been completed. Therefore, your request for this information is refused under section 18(e) of the Act as this information does not exist or, despite reasonable efforts to locate it, cannot be found.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

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 this response regarding the Wage Subsidy, 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

A handwritten signature in blue ink, consisting of several loops and a long horizontal tail.

George Van Ooyen
Group General Manager
Client Service Delivery