



10 March 2022

Tēnā koe

On 10 February 2022, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- 1. Can I please have a list of all Hawke's Bay-based companies/sole traders that have had a post-payment integrity check by MSD, resulting in Covid wage subsidies being recalled because they were found to be ineligible?*
- 2. Can I please have a list of all Hawke's Bay-based companies/sole traders that have had Covid wage subsidies recalled because they were found to be ineligible, but did not require a post-payment integrity check (if there are any)?*
- 3. Also, a breakdown simply showing how much was recalled for each of those particular companies?*
- 4. How much of the repayment is outstanding for each of those companies (some I assume will have paid part or all or none of the repayments)?*
- 5. Lastly, nationally, how many companies/sole traders in total have had a Covid wage subsidy recalled due to being ineligible? How much money in total has been recalled nationally and how much of that has been repaid? (For these nationwide questions just need the figures as opposed to any breakdown or company names).*

The Wage Subsidy Scheme 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 scheme has been set up on a high-trust model in order to quickly deliver funds to support workers, families and businesses.

Regarding your first four questions, we can advise that most COVID-19 Wage Subsidy applicants did provide a 'Business Address' at the time they applied. But the address given was not always the physical address of the business; many applicants, especially those representing larger businesses, gave the

address of their company's *head office* instead. Therefore, a disproportionate number of businesses that applied for the Wage Subsidy are recorded by the Ministry as based in 'Auckland' or another big city, even though they may (solely) have operated in other parts of the country.

In addition, the business addresses held by the Ministry are not centrally recorded – i.e., cannot be compiled without a substantial manual review of all relevant Wage Subsidy applications. This is also true of businesses that have undergone a post-payment integrity check or have been asked to repay the subsidies they received.

For the reasons outlined above, the Ministry is unable to provide a list of businesses based in the Hawke's Bay that have had a Wage Subsidy payment recalled. As such, I refuse your request under section 18(f) of the Act, on the ground that it would involve substantial manual 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 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.

You may be interested to see the COVID-19 Wage Subsidies - Employer Search at the following link: www.msd.govt.nz/about-msd-and-our-work/newsroom/2020/covid-19/covid-19-wage-subsidy-employer-search.html.

Please note, the Ministry developed this online search tool with close involvement from the Privacy Commissioner to ensure compliance with the Privacy Act 2020. To protect the privacy of employees and employers of small businesses, the Ministry has omitted employers with fewer than three employees from the search tool. Publishing this information on a public register would make the personal information of sole traders and other small businesses public. The aim of the search tool is not to identify individual persons who received a Wage Subsidy payment, and the protection of privacy for natural persons outweighed the public interest for this information.

In regard to question five, we can advise that as of 4 February 2022, the Ministry has received \$788.2 million in Wage Subsidy repayments, of which approximately \$765 million was repaid voluntarily and approximately \$23 million repaid as the result of a request from the Ministry. In total, approximately \$832.6 million has been identified for voluntary or requested repayment.

This total value of repayments received and the number of recipients who have made a repayment is available each week on the Ministry's website here: www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/weekly-reporting/index.html.

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 and attachments on the Ministry'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 COVID-19 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



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