Proportion of unique jobs supported by the wage Subsidy

Proportion of unique jobs supported by the Wage Subsidy August 2021 \#1


## Regional Councils of employees

| Proportion of Unique Jobs supported by the Wage Subsidy August 2021 \#1 Number of Unique Jobs supported (Thousands) |  |  |  |  |  |  | Payments (Millions \$) |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 0\% ${ }^{50 \%}$ |  |  | 100\% | 0 | 250 | 500 |  |  |
| Northland | 45\% | 口 |  | 33 - |  |  | - ${ }^{38}$ |  |
| Tasman | 45\% | $\square$ |  | $1{ }^{12}$ |  |  | - ${ }_{\text {1 }}$ |  |
| Auckland | 45\% | $\square$ |  |  | 377 |  | $\square$ | \$425 |
| Otago | 45\% | $\square$ |  | 55 - |  |  | [\$61 |  |
| Canterbury | 44\% | $\square$ |  | ${ }^{141}$ |  |  | \$5 58 |  |
| Bay of Plenty | 42\% | $\square$ |  | 67 - |  |  | \$76 |  |
| Nelson | 42\% | $\square$ |  | $1{ }^{11}$ |  |  | \$13 |  |
| Waikato | 42\% | $\square$ |  | $96 \quad \square$ |  |  | \$108 |  |
| Taranaki | 40\% | $\square$ |  | $\square^{23}$ |  |  | - $\$ 26$ |  |
| West Coast | 39\% | $\square$ |  | [6 |  |  | \| $\$ 7$ |  |
| Manawatu-Whanganui | 38\% |  |  | 44 - |  |  | \$49 |  |
| Marlborough | 38\% | $\square$ |  | 19 |  |  | - \$10 |  |
| Hawke's Bay | 38\% | $\square$ |  | 32 - |  |  | - ${ }^{\text {3 }}$ 6 |  |
| Southland | 37\% | $\square$ |  | $\square$ |  |  | $\square{ }^{\text {\$21 }}$ |  |
| Gisborne | 36\% - |  |  | ! |  |  | - \$10 |  |
|  | 33\% - |  |  | $\square 94 \quad$ |  |  | $\square{ }^{\text {\$104 }}$ |  |
| Weiligion |  |  |  |  |  |  |  |  |
| - ${ }_{( }$ | Proportion of Unique Jobs sup (as at 11 September 2020) | ported by | the Original 2020 Wage Subsidy | - Number of Uniqu | supported by the Original 2 eptember 2020) | e Subsidy |  |  |

## Calculation

| 1. A Unique job | 2. Unique 2021 Wage Subsidy payment |  | 3. Proportion of Unique jobs supported | 4. Data considerations |
| :---: | :---: | :---: | :---: | :---: |
| A Unique Job is a unique employer and employee pair. | 823k unique jobs have been paid a Wage Subsidy August 2021 \#2 up to 1 October 2021 applications opened 3 September and closed 16 September). |  | 706k Unique employee jobs paid the Wage Subsidy August 2021 \#2 were compared with the total number of June 2021 (the most recent available month), to calculate the proportion of unique jobs supported. | Multiple data sources have been combined to determine the variables below. Different pproaches may lead to different results. For example, Stats NZ's Employment Indicator count of jobs is lower (resulting in a higher supported proportion of 31.4\%). |
| Employee Employer |  | Sole Traders are excluded from <br> the following calculations as |  |  |
|  |  | the total number of sole traders in New Zealand is tax year. | $=\frac{\begin{array}{c}\text { Proportion of unique jobs receiving support: } \\ \text { Unique jobs paid a wage subsidy Aug } 2021 \\ \# 2\end{array}}{\text { Unique jobs from Inland Reverue data }}$ | Some employees paid a Wage Subsidy August For example, some business owners could apply as employees. Excluding these would decrease the proportion supported to $24.9 \%$. Refunds (past or future) have not been allowed for. |
| Some employees appear multiple times for different employers. For example, where a person has more than one part-time job. | 706k | Unique emplovee Jobs | $=\frac{706 \mathrm{k}}{2.46 \mathrm{M}} \times 100 \%=28.7 \%$ | Notwithstanding these considerations, relativities between ages, ethnic groups, broadly similar. |

Proportion of unique jobs supported by the Wage Subsidy August 2021 \#2


Regional Councils of employees

## Calculation



Proportion of unique jobs supported by the Wage Subsidy August 2021 \#3




## Regional Councils of employees



## Calculation

 proportion of $1.6 \%$ ).

Some employees paid a Wage Subsidy August
2021 are not included in Inland Revenue
2021 are not included in Inland Revenue data. For example, some business owners could apply
as employees. Excluding these would decrease the proportion supported to $1.2 \%$. Refunds (past or future) have not been allowed for.
Notwithstanding these considerations,
relativities between ages, ethnic groups, relativities between ages, ethnic groups, relativities between ages, ethnic groups,
industries and regions are expected to be broadly similar.

Proportion of unique jobs supported by the Wage Subsidy August 2021 \#4



## Regional Councils of employees



## Proportion of unique jobs supported by the Wage Subsidy August 2021 - A3 explainer

The attached analysis provides information on which employee jobs have been supported by the Wage Subsidy August 2021 for applications approved up to 24 September 2021. There have been 4 Wage Subsidy August 2021 payments to date:

- Applications for Wage Subsidy August 2021 \#1 opened 20 August and closed 2 September.
- Applications for Wage Subsidy August 2021 \#2 opened 3 September and closes on 16 September.
- Applications for Wage Subsidy August 2021 \#3 opened 17 September and closed on 30 September.
- Applications for Wage Subsidy August 2021 \#4 opened 1 October and will close on 14 October.

The analysis focusses on employees and their jobs. We exclude sole traders when calculating proportions, as we do not yet know the total number of sole traders (there is a lag before they submit tax returns). Unique jobs are defined as unique combinations of an employer and an employee. Employees can work for more than one employer. For example, a person with two part-time jobs both supported by the Wage Subsidy August 2021 \#1 has both these jobs counted in the total count. This means that we expect fewer people to be supported in total, than the job count.

The first A3 above shows unique jobs supported by Wage Subsidy August 2021 \#1, the second A3 shows unique jobs supported by Wage Subsidy August 2021 \#2, the third A3 shows unique jobs supported by Wage Subsidy August 2021 \#3 and the forth A3 shows unique jobs supported by Wage Subsidy August 2021 \#4. Note that, for example, unique jobs supported by Wage Subsidy August 2021 \#1 and \#3 will be included in each of the A3s for \#1 and \#3.

Further detail on how this analysis was undertaken can be found in the report published by MSD on who was supported by the Wage Subsidy, Wage Subsidy Extension and Resurgence Wage Subsidy (www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/who-received-the-covid-19-wage-subsidies-september-2020.html). This report used data up to 11 September 2020.

For Wage Subsidy August 2021 \#1 we have included a comparison against the 2020 Original Wage Subsidy (WS). For Wage Subsidy August 2021 \#2 we have included a comparison against Wage Subsidy August 2021 \#1. For Wage Subsidy August 2021 \#3 we have included a comparison against Wage Subsidy August 2021 \#2. For Wage Subsidy August 2021 \#4 we have included a comparison against Wage Subsidy August 2021 \#3.

MINISTRY OF SOCIAL DEVELOPMENT

Applications for Wage Subsidy August 2021 \#4 are currently open, so the number of people supported will increase. Even allowing for this, the results will differ from the Original Wage Subsidy for a number of reasons, including:

- The Original Wage Subsidy was open to applications for 12 weeks. The first part of the latest Wage Subsidy was open for applications for 2 weeks. The second part is open for another two weeks.
- The Original Wage Subsidy was available for businesses that had experienced a $30 \%$ decline in revenue over a month, compared to the same month last year. The latest Wage Subsidy is available for those who had experienced a $40 \%$ decline in revenue over a two-week period, compared to a similar period 6 weeks prior.
- Businesses may have adjusted their business models to be more resilient to potential lockdowns.


## Key insights on the Wage Subsidy August 2021 as at 1 October 2021:

- $\$ 2.8 \mathrm{~b}$ has been paid in support across the four August Wage Subsidies, up to 1 October 2021. \$1.3b for Wage Subsidy August 2021 \#1, \$0.9b for \#2, \$0.6b for \#3 and \$0.05b for \#4
- The following numbers of sole traders have received payments to date from Wage Subsidy August 2021:
- 142 k sole traders supported by $\$ 161 \mathrm{~m}$ in payments from \#1
- 117 k sole traders supported by $\$ 133 \mathrm{~m}$ in payments from \#2
- 86 k sole traders supported by $\$ 98 \mathrm{~m}$ in payments from \#3
- 8 k sole traders supported by $\$ 9 \mathrm{~m}$ in payments from \#4

This compares to 230 k sole traders supported by the WS (as at 11 September 2020).

- The following numbers of unique employee jobs have been supported to date from Wage Subsidy August 2021:
- 1.03 m unique employee jobs supported by $\$ 1.16 \mathrm{~b}$ in payments from \#1
- 706k unique employee jobs supported by $\$ 784 \mathrm{~m}$ in payments from \#2
- 419k unique employee jobs supported by \$463m in payments from \#3
- 35 k unique employee jobs supported by $\$ 39 \mathrm{~m}$ in payments from \#4

This compares to 1.43 m unique jobs for the WS.

- $42.0 \%$ of all employee jobs have been supported to date by the Wage Subsidy August 2021 \#1, $28.7 \%$ by \#2, $17.0 \%$ by \#3 and $1.4 \%$ by \#4. This compares to $58 \%$ for the WS.
- As with the WS, some cohorts have a higher proportion of unique jobs supported by the Wage Subsidy August 2021 \#1 (\#2, \#3, \#4):
- Northland at $45 \%(30 \%, 14 \%, 1 \%)$ and Auckland at $45 \%(41 \%, 32 \%, 3 \%)$. This is expected given the current COVID-19 outbreak is centred in Auckland. Unique jobs in Auckland have received $37 \%$ ( $49 \%, 65 \%, 75 \%$ ) of all payments to employee jobs from the Wage Subsidy August 2021 \#1 (\#2, \#3, \#4)
- Construction at $93 \%(54 \%, 33 \%, 2 \%)$. Construction jobs have been paid $20 \%(17 \%, 18 \%$, $14 \%$ ) of all payments to employee jobs from the Wage Subsidy August 2021 \#1 (\#2, \#3, \#4)
- Accommodation and food services at $91 \%$ ( $78 \%, 55 \%, 7 \%$ ). Accommodation and food services jobs have been paid $13 \%(17 \%, 20 \%, 31 \%)$ of all payments to employee jobs from the Wage Subsidy August 2021 \#1 (\#2, \#3, \#4)
- Asian people at $48 \%(40 \%, 29 \%, 3 \%)$. We have observed that Asian people are more likely to be employed in the accommodation and food services industry than any other ethnic group. Māori, Pacific Peoples and European have, to date, had lower rates. This may be driven by differences in regional and industry makeup
- Younger people such as 16 to 17 year olds at $66 \%(46 \%, 28 \%, 3 \%)$. Younger people may be more likely to work in the accommodation and food services industry.


## Considerations

Data collected by MSD to administer the Wage Subsidy has been supplemented with anonymised information from the Statistics New Zealand Integrated Data Infrastructure (IDI) to create a more complete understanding of who received support by age, sex, ethnic group, industry and location. To ensure confidentiality, values below 6 have been suppressed and the output has been randomly rounded up or down by 3 . There are also a small number of employees that cannot be matched - for example, we cannot match the location of around $1 \%$ of the employees. This means that the exact numbers will differ slightly.

## IDI disclaimer

These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ. For more information about the IDI please visit www.stats.govt.nz/integrated-data/. The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.

