



MINISTRY OF SOCIAL

DEVELOPMENT

TE MANATŪ WHAKAHIAITO ORA

9 APR 2021

Tēnā koe

On 1 March 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following information regarding \$5k to Work:

1. *How many people have applied for the grant since January 2020-January 2021?*
2. *How many people had their application approved within that same time frame?*
3. *How many people had to pay the money back because it wasn't used, or they left the job without good reason?*

\$5K to Work is an incentive payment that supports clients who are relocating to take up work in a region or area that is not commutable. This initiative was previously known as \$3K to Work and was introduced to help jobseekers move into sustainable employment following the Christchurch Earthquake. It was intended to support the Christchurch rebuild and was originally limited to the Christchurch region.

The initiative was expanded across New Zealand in 2015. On 1 October 2020, the initiative was increased by \$2,000 and the eligibility criteria was expanded to support more clients to relocate. It is now known as \$5K to Work.

More information about \$5K to Work, including the eligibility criteria, can be found on the Ministry's website at the following link: www.workandincome.govt.nz/products/a-z-benefits/5k-to-work.html#null

The \$5K to Work payment must be repaid if:

- a client reapplys for a main benefit or returns to study within 91 days of the job start date,
- the client left their job without a good and sufficient reason, or
- the client did not use the payment for the reason it was paid to them e.g. securing sustainable employment and relocating.

For clarity, I will respond to your questions in turn.

1. *How many people have applied for the grant since January 2020-January 2021?*

The Ministry is unable to provide you with information on the total number of people who have applied for \$3K/\$5K to Work grants as the number of people who applied and were declined these grants is not centrally recorded. Whilst we can report the number of \$3K/\$5K to Work grants made, the declined information is noted on individual client files.

Therefore, in order to provide you with information on the total number of applications received, Ministry staff would have to manually review thousands of files. As such, I

refuse your request under section 18(f) of the Official Information 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.

Although, we are unable to provide the total number of applications for \$3K/\$5K to Work, the Ministry has provided data below which captures the numbers of distinct recipients of a \$3K/\$5K to Work grant during the period 01 January 2020 to 28 February 2021. You may find that the numbers for April 2020 are significantly lower compared to previous months. This is due to the COVID-19 pandemic and the associated national lockdown.

You may note an uptake in the initiative for the calendar year 2020. The Ministry is acutely aware of the increased numbers of New Zealanders without jobs because of the economic impact of the COVID-19 pandemic.

2. How many people had their application approved within that same time frame?

Please refer to **Table One** below.

Table One shows the number of clients receiving the \$5k to Work grant significantly increased in October 2020. This is likely due to both the Wage Subsidy and COVID-19 Income Relief Payment coming to an end.

Table One: Number of \$3K / \$5K to Work Grant recipients from 01 January 2020 to 28 February 2021

Month Granted	Grant Type	
	\$3K to Christchurch / \$3K to Work	\$5K to Work
Jan-20	81	0
Feb-20	87	0
Mar-20	66	0
Apr-20	15	0
May-20	48	0
Jun-20	96	0
Jul-20	96	0
Aug-20	72	0
Sep-20	81	0
Oct-20	6	198
Nov-20	3	291
Dec-20	0	351
Jan-21	0	375
Feb-21	0	387

Notes for Table One:

- \$3K and \$5K to Work are 'incentive payments' to assist clients who have secured sustainable employment to relocate.
- The \$3K and \$5K to Work incentive payment are non-taxable payments of \$3,000 and \$5,000 and are not asset or income tested.
- A client cannot get more than one \$5K to Work payment within a 52-week period.
- As from 01 October 2020, \$5K to Work grant came into effect. Previously this was \$3K to Christchurch or \$3K to Work.
- 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.
- A value of one or two may be rounded to zero or three.
- 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.

3. How many people had to pay the money back because it wasn't used, or they left the job without good reason?

51 recipients that were granted the \$3K/\$5K to Work grant were required to pay back debt because it was not used, or they left the job without good reason. This is 2.3 percent of the total number of distinct \$3K/\$5K to Work grant recipients from 01 January 2020 to 28 February 2021.

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 how many people have applied for \$5K to Work and have had their application approved, 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



Jayne Russell
Group General Manager
Employment