



4 AUG 2021

Dear

On 17 June 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

1. *Data regarding the number of sanctions imposed for leaving unemployment voluntarily without good and sufficient, since Jan 2014, broken down by year, ethnicity, and gender.*
2. *Data regarding the number of sanctions imposed for losing employment because of misconduct as an employee, since Jan 2014, broken down by year, ethnicity, and gender.*
3. *Data regarding how often MSD decided not to impose the above sanctions, since Jan 2014, broken down by year, ethnicity, and gender.*

A client and their partner (if any) who are applying for Jobseeker Support and have work obligations, can have a 13-week non-entitlement period if they:

- have become voluntarily unemployed without a good and sufficient reason, and
- are applying for a benefit because they were dismissed by their employer for misconduct

An employer can only terminate a client's employment on the basis of misconduct if the client has seriously breached their contract of employment.

A non-entitlement period is not a sanction. A sanction is a penalty imposed on a client's benefit for failure to fulfil their obligations. For the sake of clarity, as I address each of your questions in turn, I will refer to non-entitlement periods rather than sanctions.

Situations where a client would be subject to a 13-week non-entitlement period include (but are not limited to):

- a previously self-employed client applies for Jobseeker Support because they have closed or sold a viable business without a good and sufficient reason
- a client is applying for Jobseeker Support on the ground of health condition, injury, or disability and is able to work part-time, and left a part-time job without a good and sufficient reason

- a partner who is currently receiving Jobseeker Support has a dependent child aged between 3 and 13 years and therefore has part-time work obligations. The partner has left their part-time job without a good and sufficient reason.
- a client has left a part-time job without a good and sufficient reason, a voluntary unemployment stand-down would apply if the income from the job was sufficient to support the person, and the job was for 13 weeks or more

Clients subject to a 13-week non-entitlement period are given the option to complete recompliance activities (such as training, unpaid work experience, voluntary work) lasting six continuous weeks. Completing a six-week recompliance activity can reduce the duration of the non-entitlement period if it concludes before full period has elapsed. While undertaking recompliance activities a client can be paid a provisional benefit. A client is not entitled to financial assistance during the 13-week non-entitlement period unless they are engaging in recompliance activities. A client can receive Special Needs Grants in cases where they are sick or injured, and incapable of participating in employment or an approved activity for at least six weeks.

Before applying a 13-week non-entitlement period, Work and Income considers the client's individual circumstances. The Case Manager will discuss with the client why they left their employment, and consider:

- if there was a good and sufficient reason for the client voluntarily stopping work
- if their employment ceased due to misconduct, what the misconduct was by the employee, and whether there is any evidence of the misconduct
- whether the misconduct was relatively minor, or whether there are circumstances surrounding their conduct which render it to be excusable
- whether the client is challenging their dismissal or loss of employment.

There are specific circumstances where a non-entitlement period is not applied, because they are accepted to be good and sufficient reasons for leaving employment.

These situations include where a client has:

- lost their job during a 90-day employment trial (except where the employer alleges misconduct),
- recently returned to New Zealand,
- taken voluntary redundancy because another employee would lose their job if they remained,
- left work that isn't suitable, or
- worked for a temporary period.

Please see attached as an Excel Spreadsheet the following 8 tables in relation to your request:

Table One: The number of Voluntary Unemployment Stand Downs imposed, broken down by calendar years 2014 to 2020 and ethnic group.

Table Two: The number of Voluntary Unemployment Stand Downs imposed, broken down by calendar years 2014 to 2020 and stand down reason.

Table Three: The number of Voluntary Unemployment Stand Downs imposed, broken down by calendar years 2014 to 2020 and age group.

Table Four: The number of Voluntary Unemployment Stand Downs imposed, broken down by calendar years 2014 to 2020 and gender.

Table Five: The number of Voluntary Unemployment Stand Downs imposed for stand down reasons 'Were dismissed' or 'Left of own accord', broken down by calendar years 2014 to 2020 and stand down reason.

Table Six: The number of Voluntary Unemployment Stand Downs imposed for stand down reasons 'Were dismissed' or 'Left of own accord', broken down by calendar years 2014 to 2020, stand down reason and ethnic group.

Table Seven: The number of Voluntary Unemployment Stand Downs imposed for stand down reasons 'Were dismissed' or 'Left of own accord', broken down by calendar year 2014 to 2020, stand down reason and age group.

Table Eight: The number of Voluntary Unemployment Stand Downs imposed for 'Were dismissed' or 'Left of own accord', broken down by calendar year 2014 to 2020, stand down reason and gender.

Please note that tables one to four show the total number of voluntary unemployment stand downs imposed for leaving unemployment voluntarily without good and sufficient reason including for reasons not listed in tables five to eight.

This is a count of stand-downs imposed. Clients included in the data may have completed recompliance activities to reduce the non-entitlement period, or provided further evidence giving sufficient reason that the stand down should not be imposed.

In response to question three of your request, the Ministry is unable to provide complete data regarding how often the Ministry decided not to impose non-entitlement periods broken down by year, ethnicity, and gender as this information would be recorded on individual client files and not centrally held. To obtain this data would require reviewing thousands of individual records. As such, this aspect of your request is refused under Section 18(f) of the Act as it would require substantial manual collation.

Please note the ethnicity classification that is used to construct this table does not necessarily align with the current Statistics New Zealand classification of ethnicity. Ethnicity details recorded by the Ministry have been gathered under a variety of classification methods as clients come into contact with the Ministry. The ethnicity data may be self-identified based on an individual's preference or self-construct. While the Ministry collects multiple ethnicities from clients, we only report a unique form of 'identified' ethnicity for core benefit data (one ethnic group per person with Māori coming first, Pacific groups second followed by other groups ending with NZ European).

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
- 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 number of stand downs imposed for leaving unemployment voluntarily, 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.

Yours sincerely



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