



16 June 2022

Tēnā koe

On 12 April 2022, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *Since the introduction of the Self Employment Flexi-wage how many Maori identified beneficiaries provided business plans in terms of the start of the process of being considered for the eligibility to access this benefit type.*
- *Please provide a table outlining based on ethnicity outlining each year how many Maori were approved and declined compared to European, Asian, Pasifika and Other ethnic groups.*
- *How many benefits were suspended and stopped by MSD from 2000 - 2020 (provide a table outlining comparison between Maori, Pakeha, Asian, Pasifika and other Ethnic Groups.*
- *Define the process that Work and Income uses to access information and what defines them able to suspend an individuals benefit without any prior notification.*

For clarity, I will respond to each of part of your request in turn.

- *Since the introduction of the Self Employment Flexi-wage how many Maori identified beneficiaries provided business plans in terms of the start of the process of being considered for the eligibility to access this benefit type.*

Flexi-wage self-employment provides a short-term wage subsidy to help clients who want to start their own business and need financial support while they get started. Clients only need to be interested in the idea of starting a new business – they do not need to have a set business plan when applying for this assistance but will need one that has been independently vetted as viable before Flexi-wage self-employment payments can be granted. The Ministry can

talk to clients further about their business idea and how to create a plan. For the full criteria to receive Flexi-wage self-employment, I refer you to the Work and Income website, at the following link: www.workandincome.govt.nz/products/a-z-benefits/flexi-wage-self-employment.html.

The Ministry is unable to provide you with the number of Māori identified beneficiaries who provided business plans at the start of the process, as this information is not recorded nor required at this step in the process, in order to be considered for Flexi-wage self-employment. As such, this section of your request is refused under section 18(e) of the Act as this information does not exist.

For clients who may need further help formulating their business plan to support their application for Flexi-wage self-employment, the Ministry may be able to provide assistance through the Business Training and Advice Grant (BTAG). Clients must be intending to start a business, getting help from us to start that business, and intend to apply for Flexi-wage self-employment for that same business. Further information on the BTAG is also available on Work and Income's website at the following link: www.workandincome.govt.nz/products/a-z-benefits/business-training-and-advice-grant.html#null.

- *Please provide a table outlining based on ethnicity outlining each year how many Maori were approved and declined compared to European, Asian, Pasifika and Other ethnic groups.*

I refer to **Table One** in **Appendix One** showing the number of approved Flexi-wage self-employment contracts from 15 February 2021, when the programme was expanded, to 31 March 2022, broken down by ethnicity.

From December 2021, we have changed our ethnicity reporting to an approach called 'total response'. Making this change means we recognise all aspects of someone's ethnicity. This change reflects our clients more accurately, aligns our approach with Statistics NZ's reporting and reflects best practice. Ethnicity is about people's identity and sense of belonging. Ethnicity measures cultural affiliation, rather than race, ancestry, nationality, or citizenship. Ethnicity is self-perceived, and people can identify with more than one ethnic group. Previously, we reported ethnicity using an approach called 'prioritised ethnicity'. 'Prioritised ethnicity' means that we allocate people to a single ethnic group in an order of priority. The priority used by MSD previously was Māori, Pacific Peoples, Other and NZ European.

For more information about 'total response' for ethnicity reporting, I refer you to the Ministry's website: www.msd.govt.nz/about-msd-and-our-work/tools/how-we-report-ethnicity.

The Ministry does not record the number of applications that have been declined for Flexi-wage self-employment. As such, I am refusing your request

under section 18(g) of the Act as the information you have requested is not held by the Ministry and I have no grounds to believe that the information is held by another department or Minister of the Crown or organisation.

- *How many benefits were suspended and stopped by MSD from 2000 - 2020 (provide a table outlining comparison between Maori, Pakeha, Asian, Pasifika and other Ethnic Groups.*

I refer to **Table Two** in **Appendix One** showing the number of cancellations of working age main benefits between 1 January 2000 and 31 December 2020, broken down by ethnicity.

Please note, the information provided in Table Two includes cancellations for a variety reasons - for example, the client has obtained work, transferred to another benefit, or their marital status has changed. This is not solely a count of suspensions of a benefit for example where a client has not met the obligations of their benefit.

- *Define the process that Work and Income uses to access information and what defines them able to suspend an individuals benefit without any prior notification.*

On 23 May 2022, the Ministry emailed you to advise that this section of your request was very broad in scope and is difficult for the Ministry to answer given that accessing information can be through many different channels for different assistance types. The Ministry noted we may consider refusing this section of your request under section 18(f) of the Act – substantial collation and research.

On 26 May 2022, the Ministry followed up on our earlier email. The Ministry asked you to clarify if you are referring to the Flexi-wage self-employment in this part of your request. To date, we have not received a response from you.

As such, this section of your request is refused 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.

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 Flexi-wage self-employment, 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

Bridget Saunders

Bridget Saunders
Manager
Service Delivery – Issue Resolution



Appendix One

Table One: The number of approved Flexi-Wage Self-Employment contracts from 15 February 2021, when the programme was expanded, to 31 March 2022, broken down by ethnicity.

Agreement Type	Māori	European	Pasifika	Asian	Middle Eastern, Latin American, and African	Other Ethnicities	Unspecified	Total Number of Contracts
Flexi-Wage (Self Employment)	108	339	66	54	15	24	48	570

Notes:

- Ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference or self-concept.
- Total response ethnicity means that if a person identifies with more than one ethnic group, they are counted in each applicable group.
- The Ministry is in the process of changing our reporting to total response, so ethnicity results may differ from previous or other reporting.
- 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.
- 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.

Table Two: The number of cancellations of working age main benefits between 1 January 2000 and 31 December 2020, broken down by ethnicity.

Ethnicity	Māori	European	Pasifika	Asian	Middle Eastern, Latin American, and African	Other Ethnicities	Unspecified	Total Number of Cancellations	Total Number of Clients
Prioritised Ethnicity before July 2008	678,492	1,030,617	167,814	0	0	80,505	227,484	2,184,912	950,025
Total Response Ethnicity from July 2008	1,036,212	1,478,181	332,706	187,077	54,177	53,043	89,376	2,917,731	1,069,470

Notes:

- Main Benefits exclude NZ Superannuation, Veteran's Pension, Non-Beneficiary assistance, Orphan's Benefit and Unsupported Child's Benefit.
- The table includes working age only (18 to 64 years).
- Total response ethnicity is only available from July 2008 so prioritised ethnicity is used prior to July 2008
- Ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference or self-concept.
- Multiple selected ethnicities are then prioritised into a hierarchy.
- The Māori ethnicity has the highest priority in this hierarchy, followed by Pacific peoples.
- A single ethnicity is assigned to an individual based on this hierarchy.
- Prioritised ethnic groups do not align with Statistics New Zealand ethnicity groupings.