



29 May 2024

Tēnā koe

### **Official Information Act request**

Thank you for your email of 5 May 2024, requesting information about the Ministry of Social Development (the Ministry)'s benefit payment dates. I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on each part of your request set out separately below.

- 1. Please detail early payment dates (versus actual due dates), including number/breakdown of benefit + pension types and totals of all recipients (including benefit + pension costs, grouped into types) paid early, commencing King's Birthday 2023*

Please refer to the Early Benefit Payment table in the attached **Appendix**, which details the early and normal payment dates of benefits since 5 June 2023 (King's Birthday). We have also included a table of a weekly snapshot of benefit expenditure broken down by type of benefit including the original payment date.

- 2. Please provide comprehensive analysis, detailing the cost to government of the above early payments (e.g. please specify the government's daily debt servicing/interest costs on each occasion and overall)*
- 3. Please outline the alternative cost to government (via bank account signatory salaries on public holidays, perhaps?) upon rehabilitation of the aforementioned early payments to the actual due dates in future.*

Your request for this information is refused under section 18(e) of the Act as this document does not exist or, despite reasonable efforts to locate it, cannot be found.

The Ministry's decision to not to utilise the seven-day processing practice, as implemented by New Zealand banks is based on the following rationale:

- While all major banks have signed up to implement the seven-day processing of payments, some Ministry clients receive their benefit/pension payments to banks such as Credit Unions, who have not implemented seven-day processing of payments. These clients would not receive their payments until after the due date.

- Banks do not provide payment support on weekends and public holidays, which means if any issues with processing payments would not be resolved by the banks until the next business day. This could lead to a potential delay in clients receiving their payments.
- The Ministry does not have support staff working public holidays.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with my decision on your request, 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](http://www.ombudsman.parliament.nz) or 0800 802 602.

Ngā mihi

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Magnus O'Neill  
**General Manager**  
**Ministerial and Executive Services**

## Appendix

**Table One:** Early Benefit Payment table

**Key:**

- PC0: Pay-cycle zero – Child Disability Allowance.
- PC1: Pay-cycle one – All benefits paid weekly.
- PC2: Pay-cycle two – All benefits paid weekly.
- PC3: Pay-cycle three – NZ Superannuation and Veterans Pension.
- PC4: Pay-cycle four – Overseas Payments.
- PC5: Pay-cycle five – Child Care Subsidy.

Public Holiday	Payment types affected	Normal Payment Date	Advanced Payment Date
<b>King's Birthday</b> 5 June 2023	PC1, PC2, PC3 and PC5	Tuesday – 6/6/23	Saturday – 3/6/23
<b>Matariki</b> 14 July 2023	No payment changes required		
<b>Labour Day</b> 23 October 2023	PC1, PC2, PC3 and PC5	Tuesday – 24/10/23	Saturday – 21/10/23
<b>Christmas/New Year</b> 25 December 2023/ 1 January 2024	PC0	Tuesday - 26/12/23	Friday - 22/12/23
	PC1 and PC5	Tuesday 26/12/23	Friday - 22/12/23
	PC1 and PC5	Wednesday – 27/12/23	Saturday – 23/12/23
	PC1 and PC5	Tuesday – 2/1/24	Friday – 29/12/23
	PC1 and PC5	Wednesday – 3/1/24	Saturday – 30/12/23
<b>Waitangi Day</b> 6 February 2024	PC0	Tuesday – 6/2/24	Saturday – 3/2/24
	PC1 and PC5	Tuesday – 6/2/24	Saturday – 3/2/24
	PC1 and PC5	Wednesday – 7/2/24	Tuesday – 6/2/24
<b>Easter</b> 29 March-1 April 2024	PC0	Tuesday – 2/4/24	Friday- 29/3/24
	PC1 and PC5	Tuesday – 2/4/24	Friday – 29/3/24
<b>Anzac Day</b> 25 April 2024	PC1 and PC5	Tuesday – 25/4/24	Saturday – 22/4/24
	PC1 and PC5	Thursday – 25/4/24	Wednesday – 24/4/24

**Notes:**

- The payment dates are the date the money is in the client bank account and available to them.
- Clients must be paid on a business day, so they always have access to their account via the bank or are able to inquire of the bank or the Ministry as to why they have not been paid and have that situation rectified.
- Where you see that clients are paid on a Saturday, such as Anzac Day 2024, this comes about because the file is processed on the Friday night, as that is the last processing date that will ensure the client can access the money, on the Monday (24th) as the business day. If we processed on the Monday night and they received the money Tuesday (which was Anzac Day), clients may not be able to access it and there would be no one to contact.

**Table Two:** Benefit Snapshot

<b>Payment Type</b>	<b>Payment Day</b>	<b>Value as at last May 2024 payment</b>
<b>Child Disability Allowance</b>	Every second Tuesday	\$6,022,996.07
<b>All Benefits – paid weekly</b>	Tuesday	\$64,127,833.04
	Wednesday	\$80,752,653.72
	Thursday	\$81,833,727.60
<b>NZ Superannuation/ Veterans Pension</b>	Every second Tuesday	\$765,159,775.35
<b>Overseas Payments</b>	Monthly	\$68,778.53

**Caveats:**

- This is an example of an indicative payment cycle (which would be paid weekly, fortnightly or monthly dependent on the payment type).
- This table reflects the costings on any given week for the benefits outlined.
- The total expenditure would remain similar across all public holidays regardless of what date the payment is processed and/or received.
- Table Two can be used to calculate exactly how much expenditure would be paid early in conjunction with Table One above.