



# Who received the 2021 COVID-19 wage subsidies?

Wage subsidies were set up to support people to remain connected to their jobs during COVID-19.

This analysis looks at how the 2021 wage subsidies<sup>1</sup> were distributed across the population and the kinds of jobs that were supported.

In late 2020 MSD published a report describing how the 2020 wage subsidies were distributed<sup>3</sup>. This report provides similar information for the 2021 wage subsidies as well as comparing how they differed to the 2020 wage subsidies<sup>2</sup>.

This report uses data on the 2021 wage subsidies up to 7 January 2022 and compares these with published data on the 2020 wage subsidies (with data up to 11 September 2020)<sup>3</sup>. All wage subsidies were closed to new applications by these dates and the vast majority of applications had been completed.

## Overall, 47% of jobs (excluding sole traders) were supported by at least one of the 2021 wage subsidies.

This is lower than the 2020 wage subsidies where 62% of all jobs were supported by at least one of the 2020 wage subsidies.

Of the jobs that received a 2021 wage subsidy, 65% were supported by two or more wage subsidies.

## In general, patterns of 2021 wage subsidy support were similar to those in 2020

### Jobs in some industries were much more likely to require support, or be supported by multiple wage subsidies.

The accommodation and food services industry had the highest proportion of jobs supported by at least one 2021 wage subsidy (108% - this is higher than 100% as discussed in the Data Considerations section below). Of all the accommodation and food services jobs supported by a 2021 wage subsidy just under 8 out of 10 were supported by two or more 2021 wage subsidies.

The arts and recreation services industry had the highest proportion of jobs supported by more than one of the 2021 wage subsidies. 85% of all unique arts and recreation services jobs supported by a 2021 wage subsidy were supported by two or more 2021 wage subsidies. Over half were supported by 5 or more.

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<sup>1</sup> These were the March 2021 Wage Subsidy and the August 2021 Wage Subsidies #1 to #8. See the wage subsidy timeline below for more details.

<sup>2</sup> These were the Wage Subsidy, Wage Subsidy Extension and Resurgence Wage Subsidy.

<sup>3</sup> <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/who-received-the-covid-19-wage-subsidies-september-2020.html>



## **Employees in Auckland were more likely to require wage subsidy support and much more likely to need support from multiple wage subsidies**

Employees in Auckland had the highest proportion of supported jobs in 2021 (54%). Of all jobs in Auckland that were supported by a 2021 wage subsidy, 82% received two or more 2021 wage subsidies – this rate is much higher than the next highest region (65% in Northland).

Nearly 10% of all jobs supported by a 2021 wage subsidy in Auckland were supported by all nine 2021 wage subsidies – this is 3 times higher than any other region.

These results reflect the fact that Auckland spent much longer at higher COVID-19 Alert Levels throughout 2021 than all other regions.

## **A greater proportion of employed males were supported by a 2021 wage subsidy (54%) than females (41%)**

This appears to be a function of industries where males and females tend to be highly represented. For example, males made up the majority of people employed in some industries that had a high proportion of jobs supported such as construction and wholesale trade. Whereas females made up the majority of people receiving support in some industries with very low proportions of jobs supported such as health care, social services, education, and training.

## **The proportion of jobs supported by a 2021 wage subsidy was highest for younger employees**

This may be due to the types of jobs that young people are more likely to be employed in. However young people aged under 20 only made up 107k out of the 1.17m jobs supported (9.2%). In general, 6% of all jobs in New Zealand employ young people aged under 20 .

## **A greater proportion of Asian employees were supported (57%) than other ethnic groups**

This is due at least in part by Asian employees making up a much higher proportion (37%) of jobs supported in the accommodation and food services industry, where nearly all jobs were supported, than they do in any other industry. Additionally, 64% of all Asian employees supported were in Auckland, the region with the highest proportion of all employees supported.

## **Jobs from small businesses were much more likely be supported**

Employees of small businesses (those with 1-19 employees) were more likely to have received a 2021 wage subsidy than employees from larger businesses. This likelihood decreased as business size increased. Similarly, employees from small businesses were more likely to receive support from more than one of the wage subsidies than employees from larger businesses.



## Wage subsidy timeline

The 2020 wage subsidies consist of:

- The **Wage Subsidy** opened on 17 March 2020 for applications of from employers, including self-employed people, across New Zealand who experienced at least a 30% decline in revenue over a month related to COVID-19. It provided eligible employers a lumpsum payment for each employee, to help pay and retain employees for a 12-week period. It closed on 9 June 2020.
- The **Wage Subsidy Extension** opened on 10 June 2020 for applications from employers, including self-employed people, across New Zealand who experienced at least a 40% decline in revenue over a month related to COVID-19. It provided eligible employers a lumpsum payment for each employee, to help pay and retain employees for an 8-week period. It closed on 1 September 2020.
- The **Resurgence Wage Subsidy** opened on 21 August 2020 for applications from employers, including self-employed people, across New Zealand who experienced at least a 40% decline in revenue over two weeks related to COVID-19. It provided eligible employers a lumpsum payment for each employee, to help pay and retain employees for a 2-week period. It closed on 3 September 2020

The 2021 wage subsidies consist of:

- The **Wage Subsidy March 2021** opened on 4 March 2021 for applications from employers, including self-employed people, across New Zealand who experienced at least a 40% decline in revenue over two weeks related to the rise to Alert Level 3 on 28 February 2021. It provided eligible employers a lumpsum payment for each employee, to help pay and retain employees for a 2-week period. It closed on 21 March 2021
- The **Wage Subsidy August 2021 #1** opened on 20 August 2021 for applications from employers, including self-employed people, across New Zealand who experienced at least a 40% decline in revenue over two weeks related to the effects of Alert Level 4 or 3. It provided eligible employers a lumpsum payment for each employee, to help pay and retain employees for a 2-week period. It closed on 3 September.
- Following this there was a series of fortnightly wage subsidies starting with **Wage Subsidy August 2021 #2** (open 3 September 2021 to 16 September 2021) and ending with **Wage Subsidy August 2021 #8** (open 26 November 2021 to 9 December 2021).

See the end of this report for information on the methodology, data considerations, key definitions, and further additional information.

# Unique jobs supported by 2021 and 2020 COVID-19 wage subsidies

2021 data up to 7 January 2022  
2020 data up to 11 September 2020



## Proportion of unique jobs supported by at least one of the 2021 wage subsidies (excluding sole traders)

The following pages show the number of unique jobs supported by 2021 wage subsidies compared to the 2020 wage subsidies. The 2020 wage subsidies include the original wage subsidy as well as the wage subsidy extension and resurgence wage subsidy. The 2021 wage subsidies includes the wage subsidy March 2021 and the wage subsidy August 2021 #1, #2, #3, #4, #5, #6, #7 and #8.

### 1. A unique Job

A Unique Job is a unique employer and employee pair.

Some employees appear multiple times for different employers. For example, where a person has more than one part-time job.

### 2. Unique Wage Subsidy Payments

In 2021, **1.36 million** unique jobs have been paid at least one of the 2021 wage subsidies. \$5.0 billion of wage subsidies have been paid. In comparison, in 2020, **1.76 million** unique jobs have been paid at least one of the wage subsidies. \$13.8 billion of the wage subsidies have been paid. These numbers include sole traders.

Each 2021 wage subsidy provided payments to support each job for two weeks. The Original 2020 wage subsidy provided payments to support each job for 12 weeks, while the wage subsidy extension covered 8 weeks and the resurgence wage subsidy covered 2 weeks. This, along with 2020 wage subsidies supporting more unique jobs, is why the total payments for 2020 (\$13.8b) are much higher than those for 2021 (\$5.0b).

**Sole Traders** – These are excluded from the following calculations as the total number of sole traders in New Zealand is unknown until the end of the tax year, meaning the proportion supported by wage subsidies cannot be calculated at this time.

**Unique Employee Jobs** – This will be referred to as ‘unique jobs’ through the rest of this analysis.

### 3. Proportion of unique jobs supported

Proportion of unique jobs receiving support (excluding sole traders):

$$\frac{\text{Unique Jobs paid at least one wage subsidy}}{\text{Unique Jobs from Inland Revenue data}} \times 100\% = \text{2021} = \mathbf{47\%}$$

1.17 Million  
2.46 Million

**1.17 Million** unique jobs were paid at least one of the wage subsidies. To calculate the proportion of unique employee jobs supported, this was compared with the total number of jobs paid during the month of June 2021, based on Inland Revenue data.

$$\frac{\text{1.52 Million}}{\text{2.46 Million}} \times 100\% = \text{2020} = \mathbf{62\%}$$

**1.52 Million** unique jobs were paid at least one of the wage subsidies. To calculate the proportion of unique employee jobs supported, this was compared with the total number of jobs paid during the month of June 2020, based on Inland Revenue data.

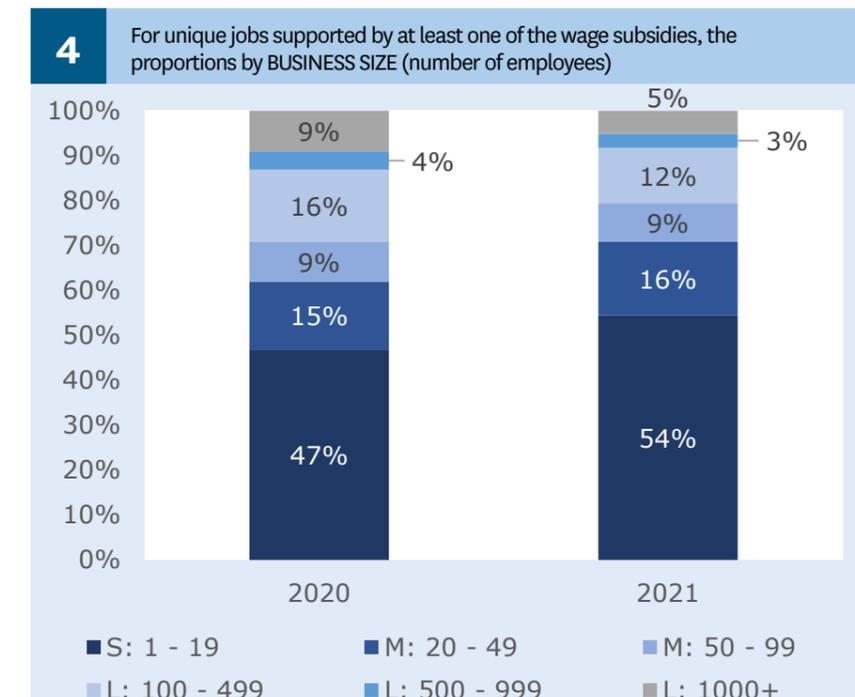
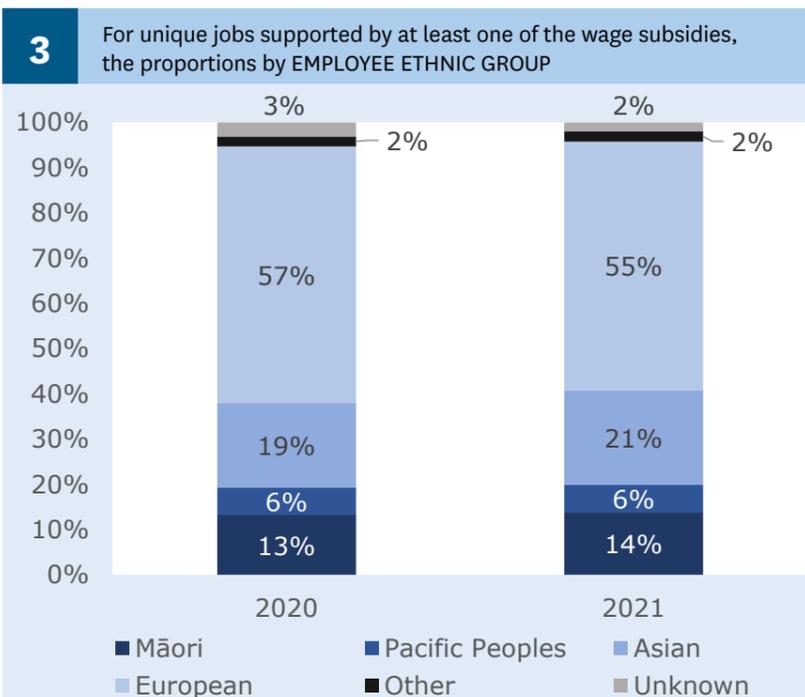
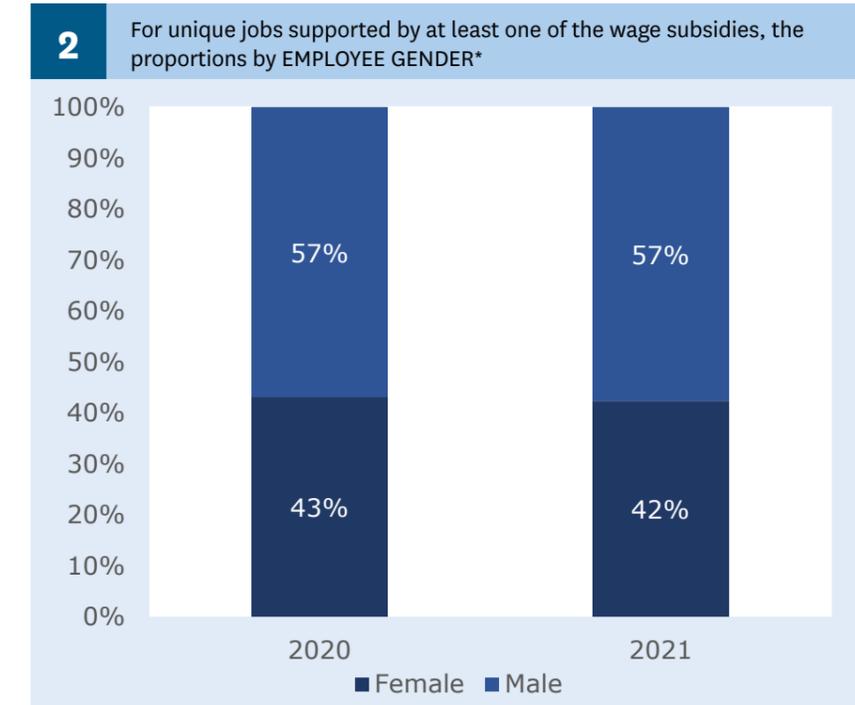
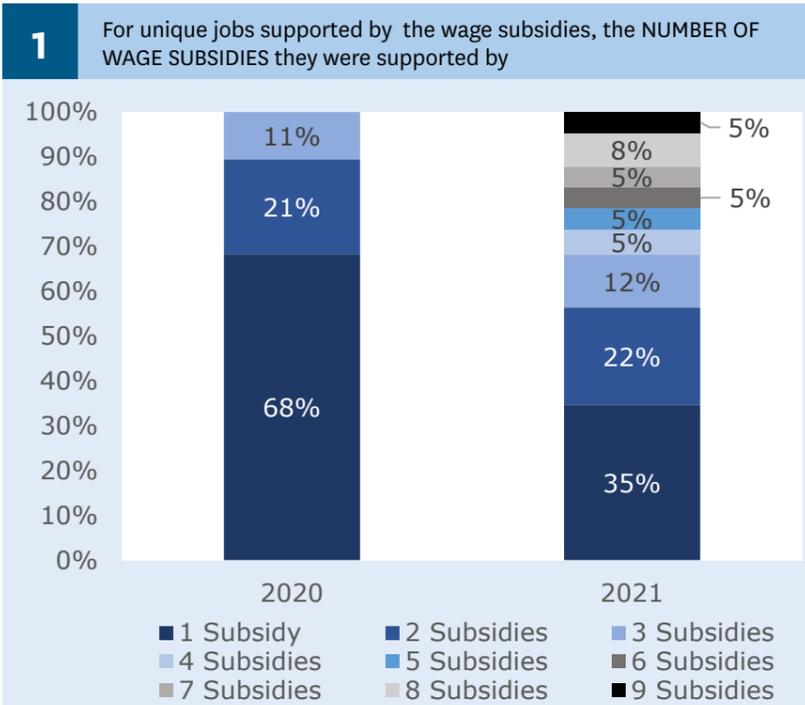
### 4. Data Considerations

Multiple data sources have been combined to determine the variables below. Different approaches may lead to different results. For example, Stats NZ’s Employment Indicator count of jobs is lower (resulting in a supported proportion of **52% for 2021** and **68% for 2020**).

Some employees paid a wage subsidy are not included in Inland Revenue data. For example, some business owners could apply as employees. Excluding these would decrease the proportion supported to **41% in 2021** and **54% in 2020**. Refunds (past or future) have not been allowed for.

Despite these considerations, relativities between ages, gender, ethnic groups, business size, industries and regions are expected to be broadly similar.

## The following charts give breakdowns for the unique jobs supported by at least one of the wage subsidies in 2020 and 2021 (for further data including payments and counts of jobs supported see the attached data)



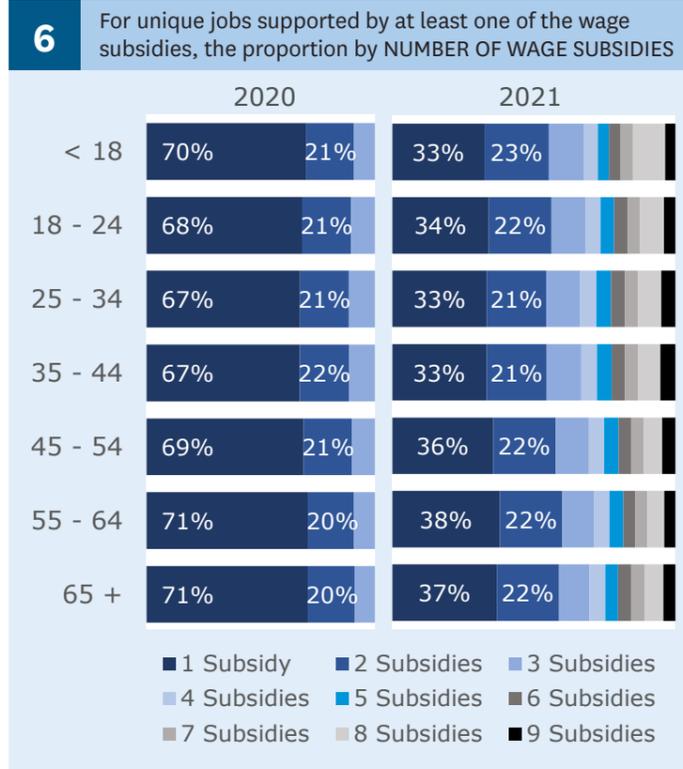
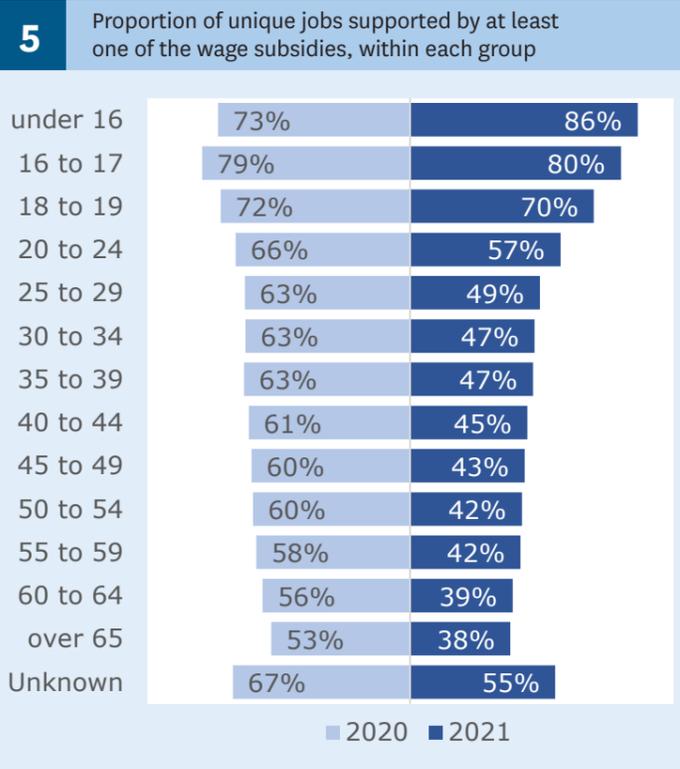
\*The IDI currently uses sex and gender interchangeably to derive this variable. Until recently most IDI data supplies have not contained gender diverse data, but as more datasets start to include expressions of gender diversity these will be coded appropriately and will become more visible throughout the IDI.

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 <https://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.

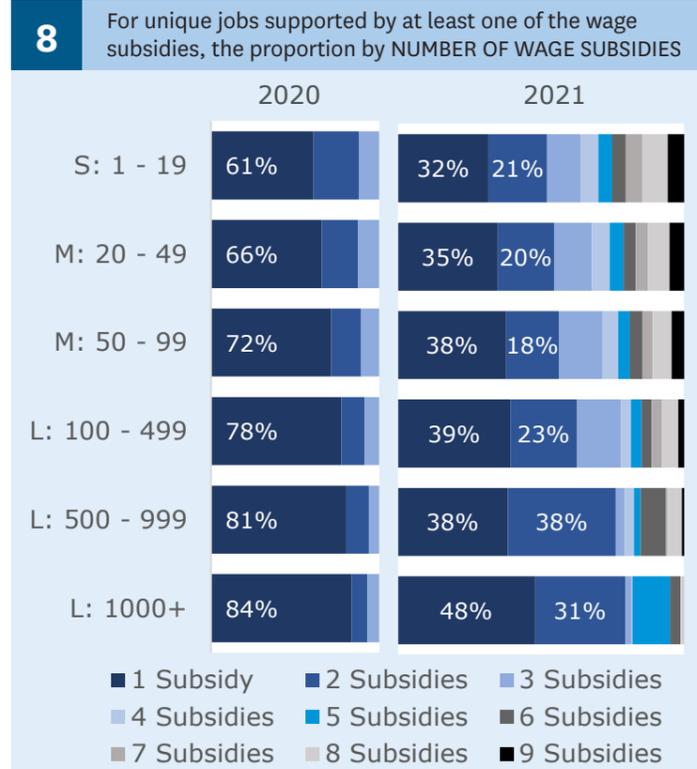
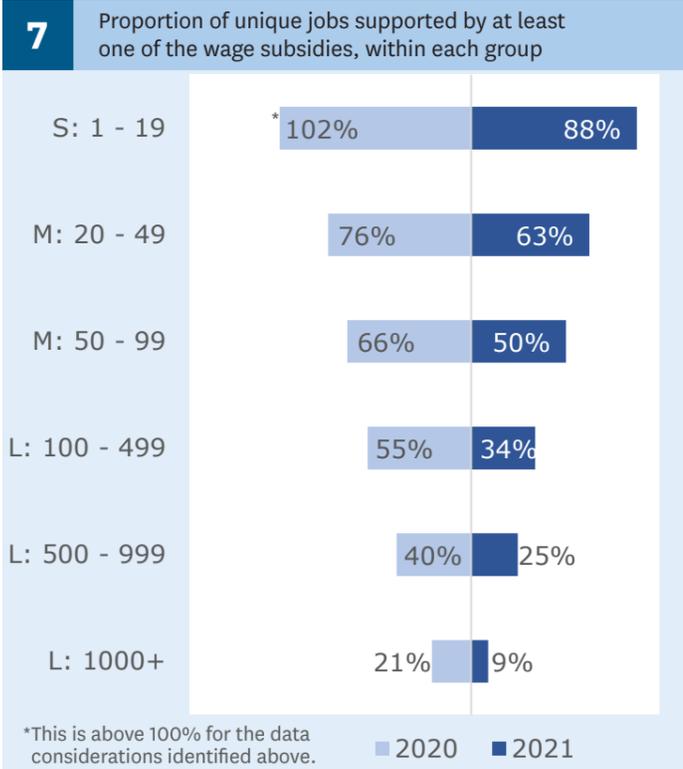
# Unique jobs supported by 2021 and 2020 wage subsidies

2021 data up to 7 January 2022  
2020 data up to 11 September 2020

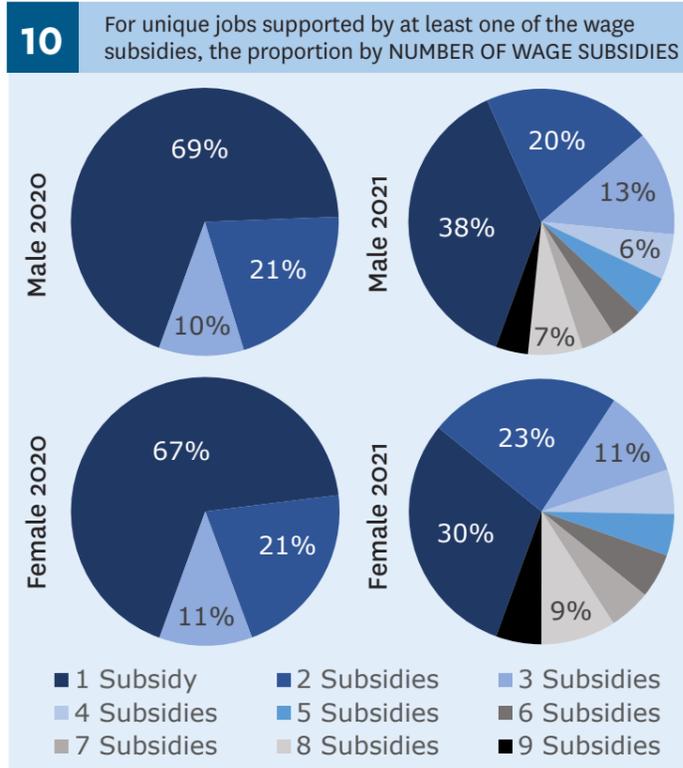
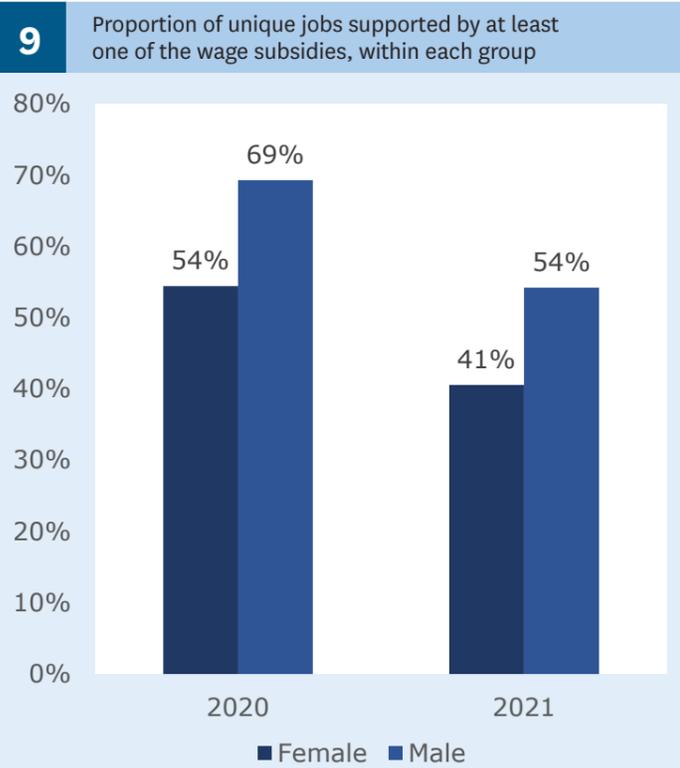
## Employee Age



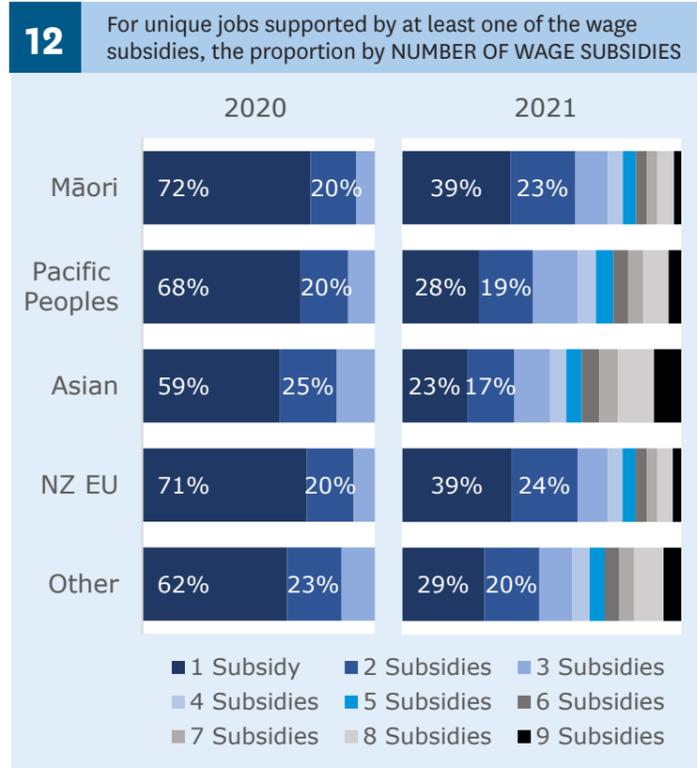
## Business Size (Number of Employees)



## Employee Gender



## Employee Ethnic Group



# Unique jobs supported by 2021 and 2020 wage subsidies

2021 data up to 7 January 2022  
2020 data up to 11 September 2020



MINISTRY OF SOCIAL DEVELOPMENT  
TE MANATŪ WHAKAHIATO ORA

## Industry

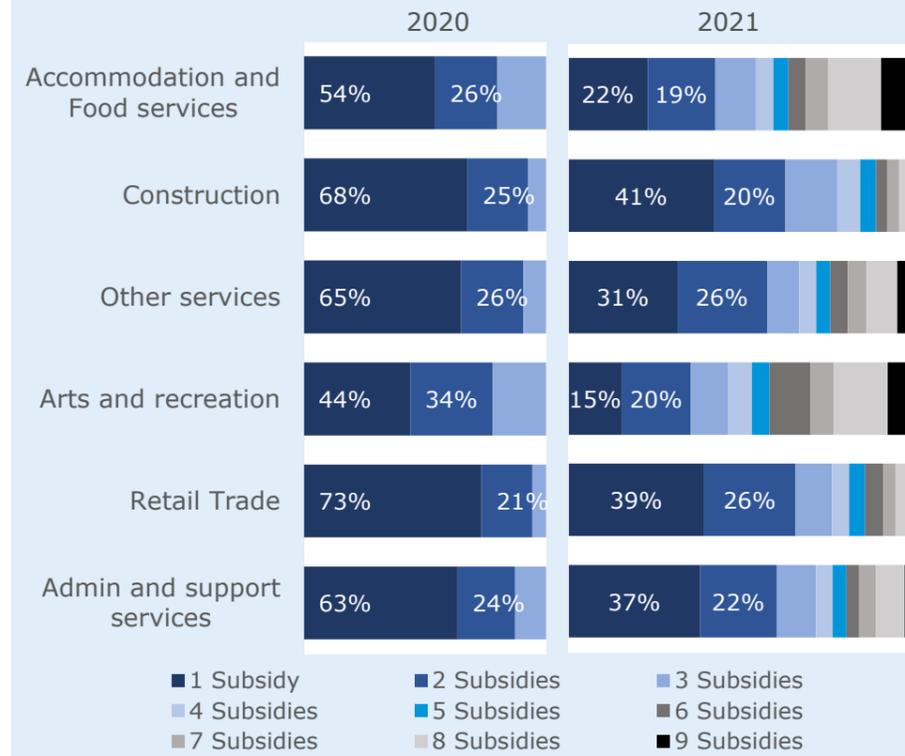
\*Please refer to the data file for all industries

\*\* Charts 14-17 only show top 6 industries by proportion of unique jobs supported by at least one of the 2021 wage subsidies

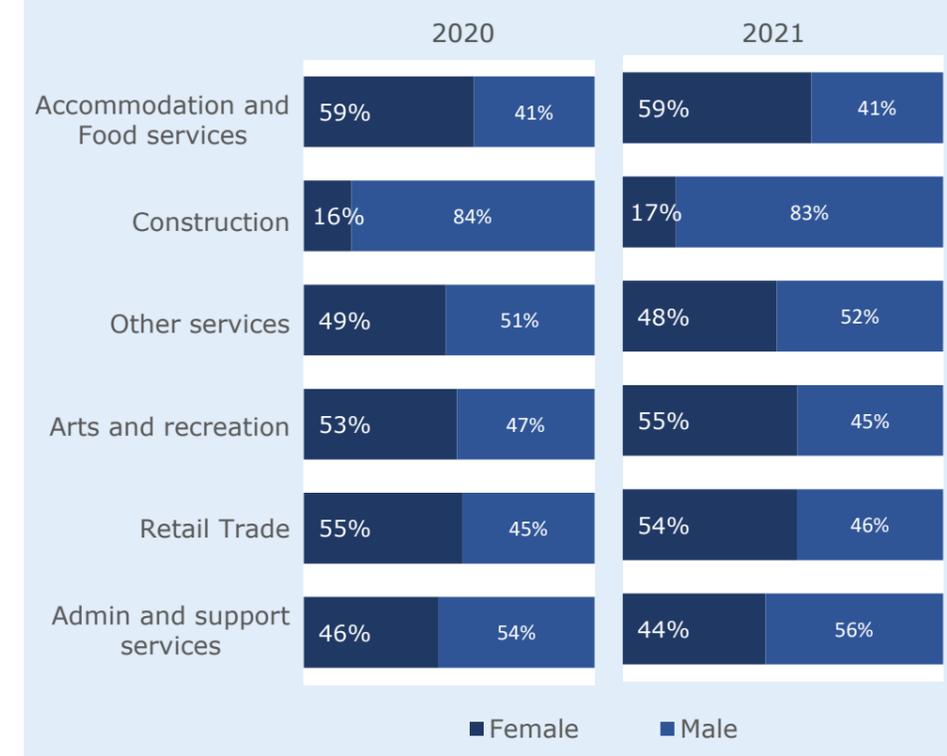
**13** Proportion and number of unique jobs supported by at least one of the 2021 and 2020 wage subsidies, within each group



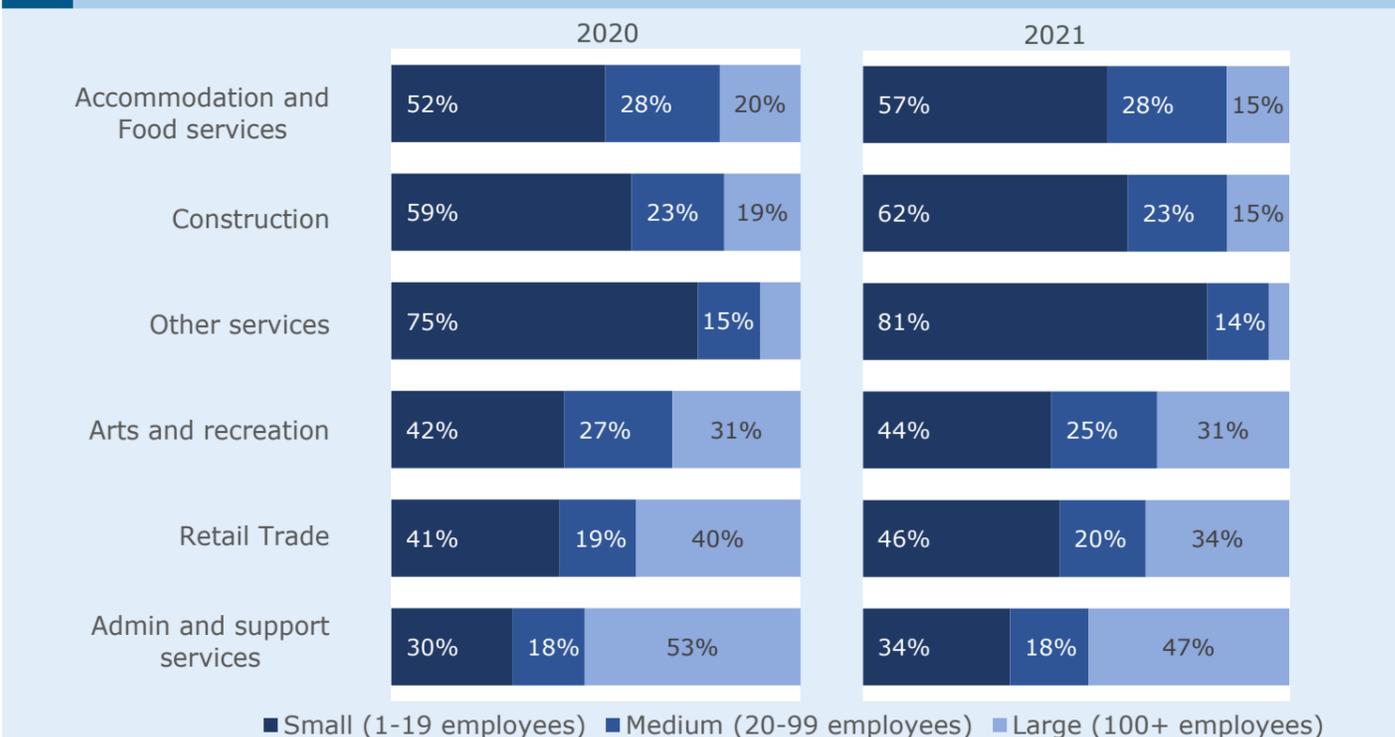
**14** For unique jobs supported by at least one of the wage subsidies, the proportions by NUMBER OF WAGE SUBSIDIES



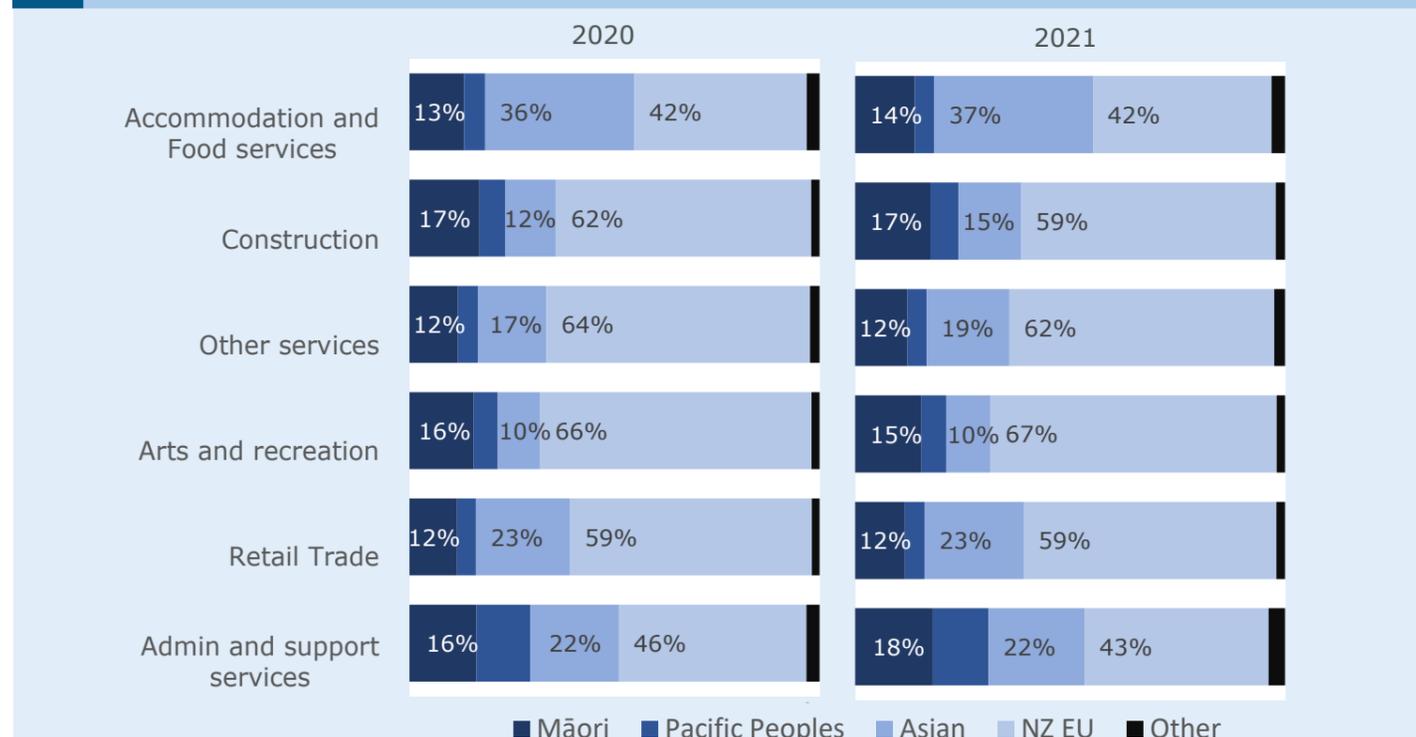
**15** For unique jobs supported by at least one of the wage subsidies, the proportions by EMPLOYEE GENDER



**16** For unique jobs supported by at least one of the wage subsidies, the proportions by BUSINESS SIZE



**17** For unique jobs supported by at least one of the wage subsidies, the proportions by EMPLOYEE ETHNIC GROUP



# Unique jobs supported by 2021 and 2020 wage subsidies

2021 data up to 7 January 2022  
2020 data up to 11 September 2020



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TE MANATŪ WHAKAHIATO ORA

## Employee Location by Regional Council

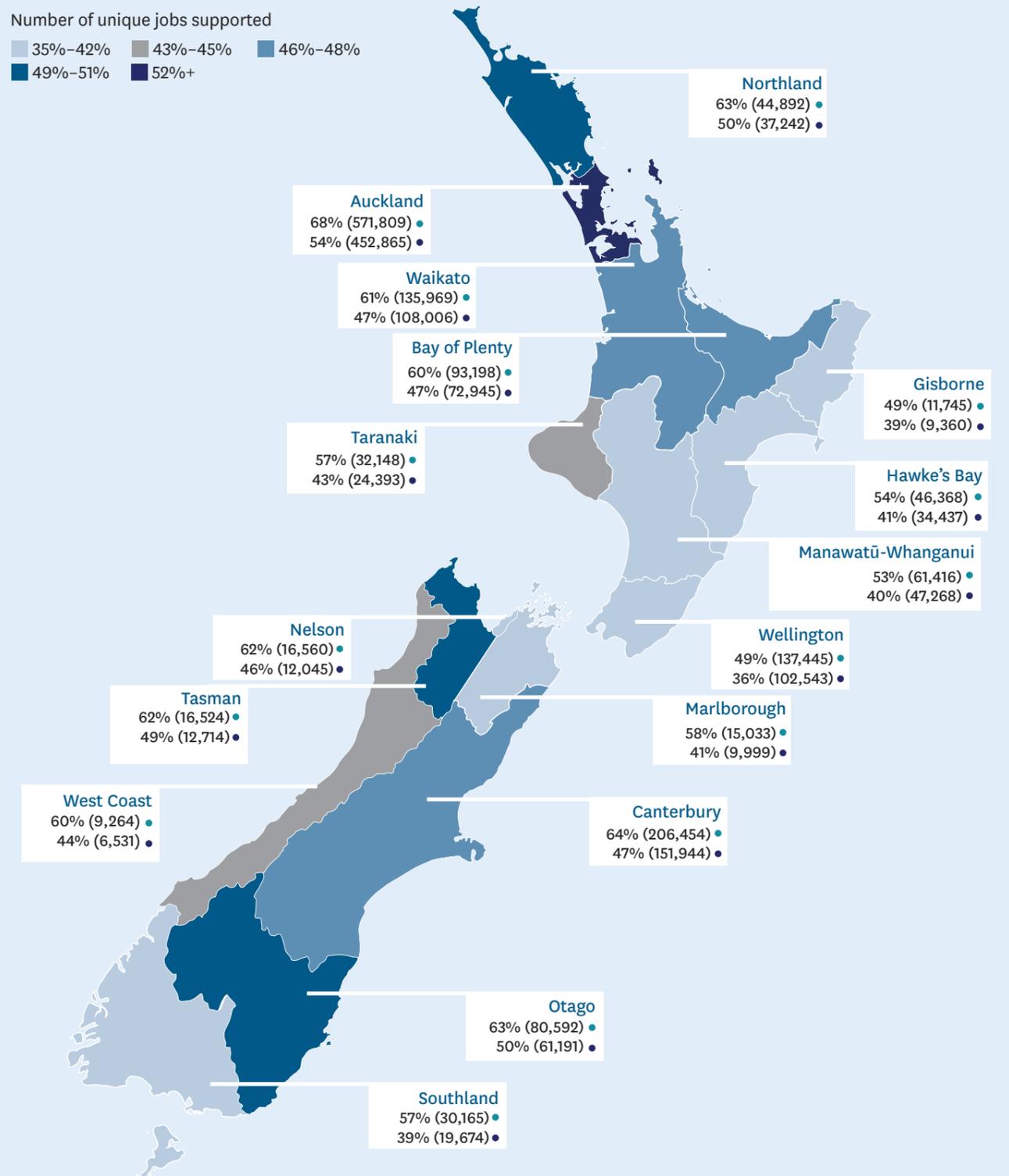
**18** Proportion and number of unique jobs supported by at least one of the wage subsidies, within each group

Heat map based on 2021 percentage

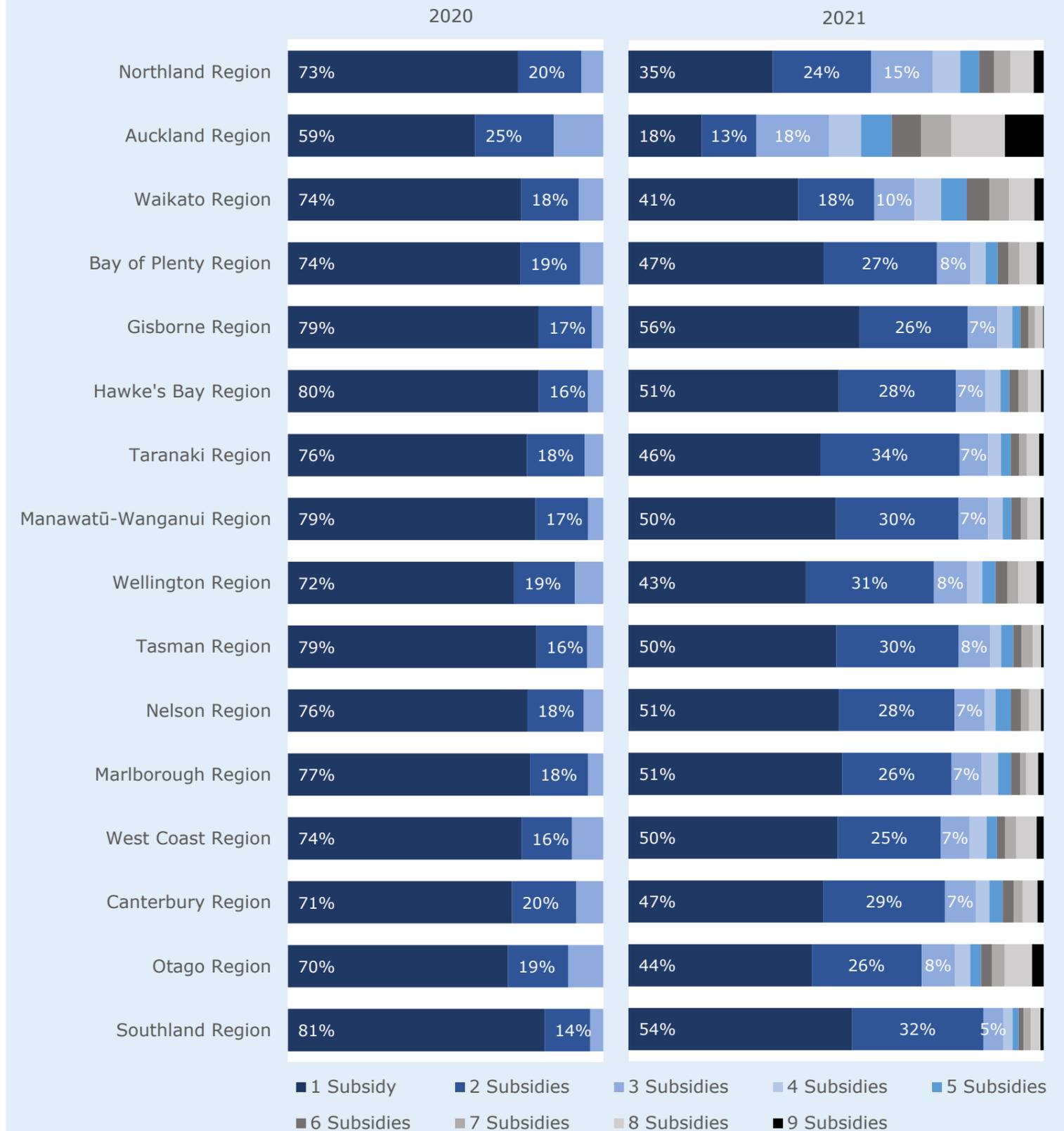
Number of unique jobs supported

35%–42% 43%–45% 46%–48%  
49%–51% 52%+

2020 ●  
2021 ●



**19** For unique jobs supported by at least one of the wage subsidies



# Unique jobs supported by 2021 and 2020 wage subsidies

2021 data up to 7 January 2022  
2020 data up to 11 September 2020



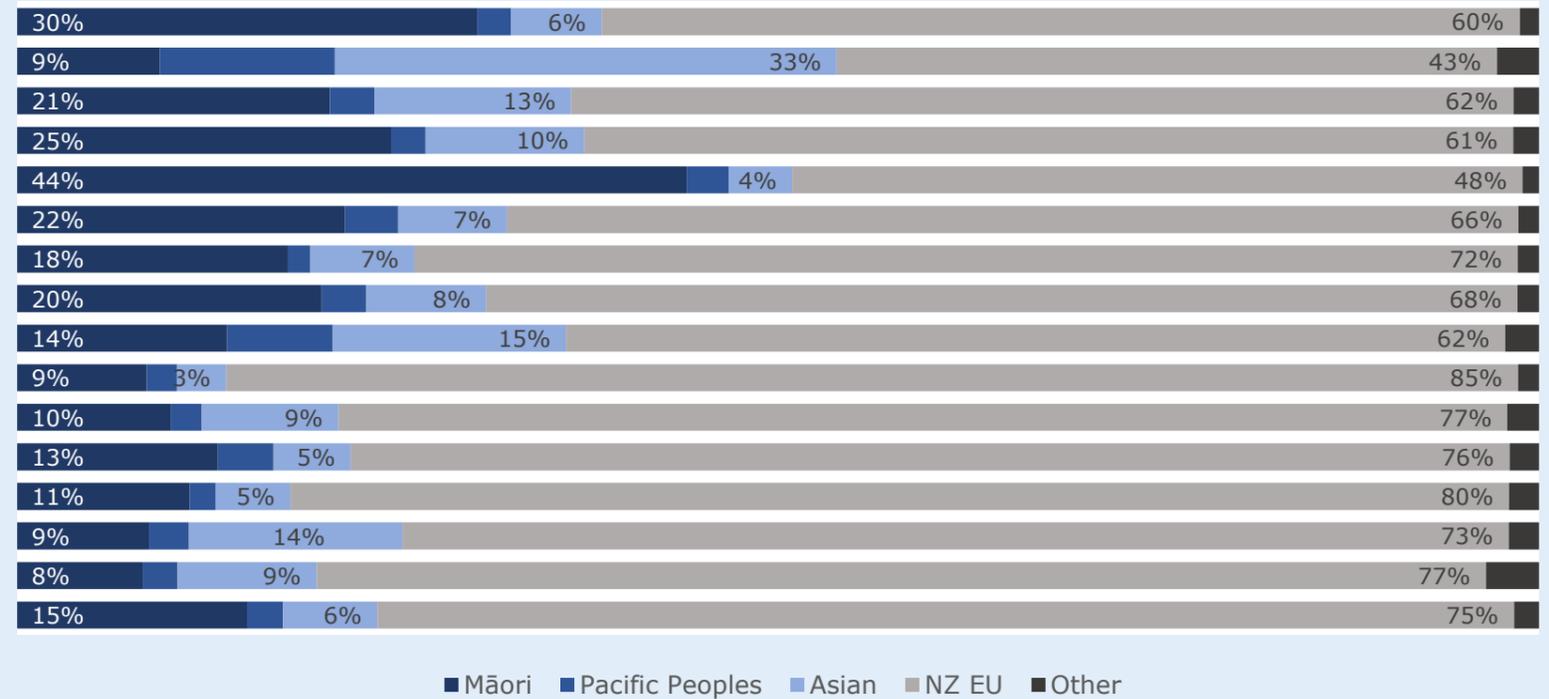
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## Employee Location by Regional Council

**20** For unique jobs supported by at least one of the wage subsidies, the proportions by BUSINESS SIZE, 2020



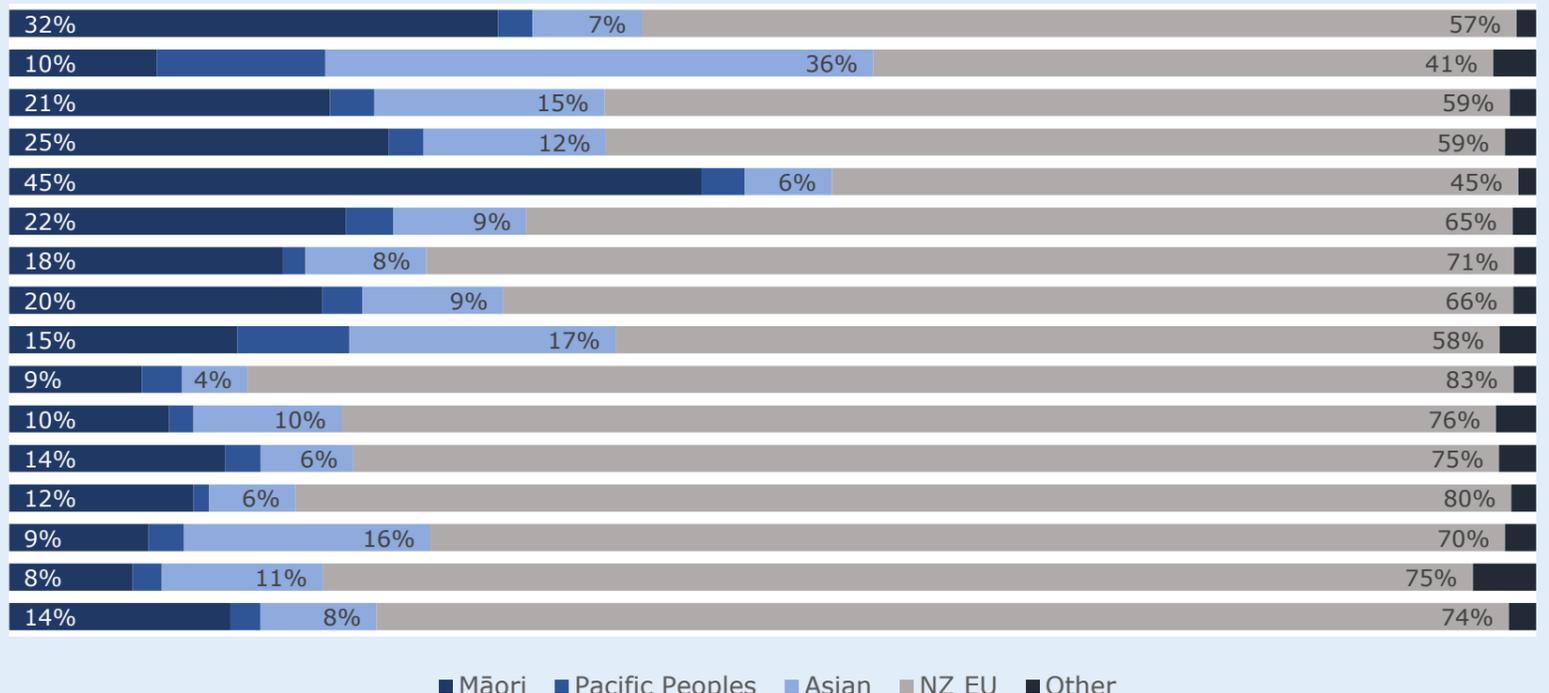
**21** For unique jobs supported by at least one of the wage subsidies, the proportions by EMPLOYEE ETHNIC GROUP, 2020



**22** For unique jobs supported by at least one of the wage subsidies, the proportions by BUSINESS SIZE, 2021



**23** For unique jobs supported by at least one of the wage subsidies, the proportions by EMPLOYEE ETHNIC GROUP, 2021





## Methodology

This report provides information on all applications that were approved and paid to employers for their employees. Most of the analysis does not include those who applied as sole traders as information on the total number of sole traders in New Zealand will not be available until after annual tax returns are filed.

Data collected to administer the wage subsidies has been supplemented with additional information from the IDI. The IDI is a large, anonymised research database maintained by Stats NZ and contains data about life events, like education, industry, region, demographics, income, benefits, migration, justice, and health. It comes from government agencies, Stats NZ surveys, and non-government organisations (NGOs).

Overall, there is a high level of consistency between the different sources of information but, as this information was not all originally collected to understand the support provided by the wage subsidies, there are some inconsistencies when matching applications to employers and employee details.

## Data considerations

There is no single source of information for the variables analysed in this report, so we use multiple sources. Different analysis approaches may lead to slightly different results. The sources of information used were appropriate for this analysis.

There is also no single agreed method across the sector for analysing these results. For example, Stats NZ uses a different method for counting unique jobs, which results in lower counts. Using its Employment Indicators method would increase the proportion supported. The methods applied were appropriate for this analysis. There were a small number of jobs and employees that could not be allocated to valid variables in this analysis (for example, a small number could not be allocated to a valid industry). We have excluded those with “unknown” variables from the graphs in this report but included them in the published tables. This means that the sum of the figures in each graph may be slightly less than the total.

There are some wage subsidy scheme applications for employees not included in the Inland Revenue data. For example, some business owners could apply as employees and some businesses could apply for casual employees. Excluding these would decrease the proportion supported. By including these, for example, the accommodation and food services industry has a reported proportion of 108% in 2021.

We have not allowed for any past refunds or any future possible refunds.

Despite these considerations, the relativities between ages, gender, ethnic groups, industries, business size and regions are expected to be broadly similar. Overall, the information used, and the approach taken, is appropriate for this analysis.

## Detail behind the calculations

The proportion of unique jobs supported by at least one of the 2021 wage subsidies is calculated by taking the number of unique jobs paid at least one 2021 wage subsidy, divided by the number of unique jobs from the Inland Revenue data (as at August 2021). The information has been analysed by age, gender, ethnic group, industry, business size and region.



This data is sourced from:

- the 10 January 2022 COVID Wage Subsidy dataset which records who received each of the 2021 wage subsidies
- the December 2021 ad hoc Inland Revenue Employment Information - Employee dataset (Inland Revenue data) to determine the total number of paid jobs; and
- the October 2021 IDI refresh for determining demographic, industry and location details for people in the groups above.

Data for the 2020 wage subsidies was taken from the following report published in December 2020 using data up to 11 September 2020: <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/who-received-the-covid-19-wage-subsidies-september-2020.html>

## Key definitions

**Unique jobs** are defined as unique combinations of an employer and employee from the Wage Subsidy or Inland Revenue data. Employees can work for more than one employer – for example, a person with two parttime jobs – so each of these jobs is counted in the total count.

**Unique jobs paid a wage subsidy** is taken from the Wage Subsidy data. It only includes applications that have been paid. It does not include sole trader applications.

**Unique jobs from the Inland Revenue data** only includes those paid a wage, salary or withholding payment. Sole traders are not included, as this information will not be fully available until their tax returns are submitted.

**Age, gender, ethnic group and region** for each of these employees are sourced from the IDI's anonymised derived details table.

- If a person has more than one ethnicity recorded, then we allocated them to the first matching ethnic group in the following list: Māori, Pacific Peoples, Asian, NZ European, Other, Unknown.
- The IDI currently uses sex and gender interchangeably for linking purposes and to derive variables in IDI central tables. Until recently most IDI data supplies have not contained gender diverse data, but as more datasets start to include expressions of gender diversity these will be coded appropriately and will become more visible throughout the IDI.

**Industry** is calculated at the Permanent Business Number level for each employee and based on the ANZSICO6 industry classification standard. The industry is selected from the following sources in this order:

1. If the employee's industry is available in the Inland Revenue data, then use the most recent industry. If this is not available, then use:
2. The most recent industry for the employer in the Inland Revenue data. If this is not available, then use:
3. The most recent industry from the ACC customer data for the employer. If this is not available, then use:



4. The most recent industry for the employer from the businesses register table.
5. If none of the above four steps returns an industry, then they are classified as “Unknown industry”.

**Business Size** calculated using the Inland Revenue data. It is calculated as the number of unique employees that were paid a wage, salary or withholding payment by each employer during that month.

## Alignment with other reporting

The information in this report aligns with previous reporting from MSD but may differ in some respects because:

- reports were generated at different dates
- other reports may include additional supports such as the COVID-19 Income Relief Payment or Essential Worker Leave Support
- All data is randomly rounded to base 3 and suppressed if counts are less than 6.

## Additional information

### What other supports were/are available?

This report only considers the wage subsidies. It does not consider any of the other supports available including:

- the COVID-19 Income Relief Payment (CIRP)
- the COVID-19 Leave Support Schemes or Short Term Absence Payment

Information about other supports can be found [here](#).

### What to do if you suspect fraud?

You can check the [COVID-19 wage subsidies - Employer Search website](#) to see if your employer received the subsidy. If you haven't received a payment, and you haven't been able to find out from your employer whether you were included in their application then you can check [here](#) to find out whether or not you were included in your employer's application.

### Why does this analysis not show the Tourism Sector?

The tourism sector has been adversely impacted by the COVID-19 pandemic and consequential border closures. This sector is not captured as a single industry within ANZSIC06, but crosses across multiple industries such as Accommodation and Retail Trade.

There is no comparable information available to identify which businesses receive income from tourism.

However, the [Wage Subsidy Business Survey](#) found that 30 percent of Wage Subsidy Survey respondents received income from tourism.

This survey also provides interesting insights into other aspects of the Wage Subsidy including information on businesses who identify as Māori or Pacific businesses.



## Statistics New Zealand 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/](http://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.