

Reference: 20210404

27 October 2021

Ross Francis fyi-request-16558-46c94d90@requests.fyi.org.nz

## Dear Ross

Thank you for your Official Information Act (OIA) request, received on 30 August 2021. You requested:

...copies of all information, including but not limited to any briefings or advice supplied to the Government, about the estimated cost of lockdowns, dated between 1 January 2020 and 27 August 2021.

The Government has created a \$62.1 billion Covid-19 recovery fund. Where has the money for the \$62.1 billion fund come from, and what proportion of the fund has come from Government revenue via general taxation?

How much of the fund has been spent?

Please specify the fund's spending so it is clear where spending has been focused and which organisations, companies or projects have received funds.

Without the Covid-19 recovery fund, approximately how many jobs has the Treasury estimated might be lost?

...copies of all information, including but not limited to any briefings or advice supplied to the Government, about the estimated number of job losses due to lockdowns, dated between 1 January 2020 and 27 August 2021.

The time to respond to your request was extended by 40 working days.

The information you have requested can largely be found on publicly available websites. I have provided links to the relevant websites in the letter below, as well as some additional context. Accordingly, I am refusing your request under section 18(d) of the OIA: the information requested is or will soon be publicly available.

## Balance of the COVID-19 Response and Recovery Fund and list of funding decisions

As part of Budget 2020, the Government established the COVID-19 Response & Recovery Fund (CRRF). This set aside \$50 billion to support a response to and recovery from COVID-19. The Government announced on 16 September 2021 that a further \$7 billion would be made available to fund economic support measures and other COVID-related costs.

The Treasury maintains a webpage on funding and expenditure on the COVID-19 pandemic COVID-19 funding allocation and expenditure (treasury.govt.nz). This webpage contains information on how much funding the Government has signalled for the response to and recovery from COVID-19, as well as how much of this funding is yet to be allocated. As at Budget 2021 (20 May 2021), the remaining balance of the CRRF is \$5.1 billion.

The webpage also contains links to various documents that outline the initiatives that CRRF funding has been allocated to. These are:

- A list of announced initiatives funded from the CRRF as part of Budget 2020 (in May 2020) – <u>Summary of Initiatives in the COVID-19 Response and Recovery</u> Fund (CRRF) Foundational Package
- A list of announced initiatives funded through the July 2020 Package <u>Summary of</u> Initiatives in the COVID-19 Response and Recovery Fund (CRRF) July Package
- A list of initiatives agreed through Budget 2021, including those funded from the CRRF Wellbeing Budget 2021: Securing Our Recovery (at pages 53 to 109)
- A list of other initiatives not included in the above documents <u>How much is left in the COVID Recovery and Relief Fund? (OIA-20210151).</u>

In addition, Treasury has previously released information regarding reporting on the CRRF, which can be found at <u>COVID-19 Response and Recovery Fund Reporting</u> Information Release (treasury.govt.nz).

## Source of the funding allocated to the CRRF

The latest information on the Government's fiscal position and borrowings can be found in the Treasury's 2021 *Budget Economic and Fiscal Update* <u>Budget Economic and</u> <u>Fiscal Update 2021 (treasury.govt.nz)</u>. The Treasury publishes a number of different debt indicators for financial reporting purposes. The Government currently uses net core Crown debt as a key fiscal indicator when communicating its fiscal strategy.

The funding set aside for the CRRF flows through to the level of net core Crown debt of the Government. This fiscal indicator illustrates the overall level of borrowing in any given year that may be required to meet the Government's operating and capital spending intentions, where they cannot be met from cash received by the Crown (e.g. from tax receipts). The borrowing requirements for the Government are done at an aggregate level and are not allocated to specific spending initiatives such as the CRRF.

Following the move to Alert Level 4 on 17 August, the Government put in place a range of support measures. Please see Table 1 below that outlines the amounts disbursed through the Wage Subsidy Scheme (WSS) (for the period 17 August to 31 August)1, and for the Resurgence Support Payment (RSP) (for the period 17 August to 7 October). The reason for the difference in time period is because the Wage Subsidy Scheme is paid on a fortnightly basis, while the Resurgence Support Payment is paid on a three-weekly basis.

Table 1: Cost of Wage Subsidy Scheme and Resurgence Support Payment between 17 – 31 August 2021 paid as at 19 October:

	Amount disbursed (\$, million)
Wage Subsidy Scheme	1,324
Resurgence Support Payment	615
Total	1,939

While Alert Level 4 generated some fiscal costs beyond the WSS and RSP, these two schemes account for the majority of COVID-related spending during this period.

Further information on the funding allocated for each specific COVID initiative funded from the CRRF will be released by the Treasury alongside the Half-Year Economic and Fiscal Update in December 2021, and this will be made available on the Treasury's website at <a href="https://www.treasury.govt.nz/publications/budgets/forecasts">https://www.treasury.govt.nz/publications/budgets/forecasts</a><sup>2</sup>

With regard to employment please see the following report: <u>Treasury Report</u> <u>T2020/973: Economic scenarios - 13 April 2020.</u> This quantified the estimated impact on unemployment before and after the support.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Reubhan Swann

Manager, Ministerial Advisory Service

<sup>&</sup>lt;sup>1</sup> Paid as at 19 October 2021

<sup>&</sup>lt;sup>2</sup> Please note that these figures will not take into account any existing funding which government departments chose to reprioritise in response to Alert Level 4.