

Early resolution of decision to decline COVID-19 Wage Subsidy application

Legislation	Ombudsmen Act 1975
Agency	Ministry of Social Development, Inland Revenue
Ombudsman	Peter Boshier
Case number(s)	526174
Date	10 November 2020

Application for COVID-19 wage subsidy declined by Ministry of Social Development, even though complainant had registered as self-employed before the relevant date—Ombudsman inquiries with Ministry resulted in approval of application—complaint resolved without need for formal investigation

Background

The complainant, who was self-employed, returned from overseas in 2019 and arranged to start work on 1 April 2020. After the imposition of the nationwide lockdown in March 2020 prevented him from commencing employment, he applied for a COVID-19 Wage Subsidy in April 2020.

The Ministry of Social Development (the Ministry) declined his application because Inland Revenue (the Department) had registered him as self-employed from 1 April 2020. To qualify for the subsidy, he needed to have been registered as self-employed between January and March 2020.

When the complainant contacted the Ministry to discuss his application being declined, he was advised that a discretionary approval would be made. However, despite him further communicating with the Ministry and the Department, the decision on his application remained unchanged.

Preliminary inquiries

Following the Ombudsman's receipt of this complaint, inquiries were made of the Ministry to confirm whether the complainant had been advised that his application would receive discretionary approval.

As a result of these inquiries, the Ministry contacted the complainant. He informed the Ministry that he had been self-employed before 1 April 2020, but had not registered his status with the

Department. In accordance with its High Trust model, the Ministry decided to approve his application as the Department was now able to confirm his self-employed status.

Outcome

As the Ombudsman's inquiries resolved the complaint, no investigation was needed.

This case note is published under the authority of the [Ombudsmen Rules 1989](#). It sets out an Ombudsman's view on the facts of a particular case. It should not be taken as establishing any legal precedent that would bind an Ombudsman in future.