
Acknowledgement of your Official Information Act Request (DOIA 2021-1216) [UNCLASSIFIED]

Wilbur Townsend <wilbur.townsend@gmail.com>

11 February 2021 at 10:45

To: Fen Zhou <Fen.Zhou@mbie.govt.nz>

Cc: Rose Ryan <Rose.Ryan@mbie.govt.nz>

Cheers thanks that's really helpful.

On Thu, 11 Feb 2021 at 09:09, Fen Zhou <Fen.Zhou@mbie.govt.nz> wrote:

Hi Wilbur,

Apologies for the confusion, I have spoken to my colleagues found this file (attached) which might potentially be what you are looking for.

The Elasticity_M is in the worksheet "M" cell B10, however, the upper and lower elasticities in the spreadsheet are not the same as what we used in the model.

I believe the upper and lower ends were derived from the standard errors when we review the model in 2018.

I have redacted the person's name from the file name.

Please let me know if you have any other questions.

Ngā mihi

Fen Zhou

Senior Research and Data Analyst

Workplace and Workforce, Evidence and Insights, Digital, Data and Insights

Ministry of Business, Innovation & Employment

Fen.Zhou@mbie.govt.nz | +64 (0)4 901 8504

15 Stout Street, Wellington 6011

NZBN 9429000106078



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

From: Wilbur Townsend <wilbur.townsend@gmail.com>

Sent: Wednesday, 10 February 2021 2:02 PM

To: Fen Zhou <Fen.Zhou@mbie.govt.nz>

Cc: Rose Ryan <Rose.Ryan@mbie.govt.nz>

Subject: Re: Acknowledgement of your Official Information Act Request (DOIA 2021-1216) [UNCLASSIFIED]

Cool thanks, that's really helpful.

To clarify: am I right in thinking that the elasticities in the model that you sent through on the 4th of February (in "code.txt") should come from "NZIER estimates for the new dataset.docx"? I can't find them. For example, I can't find any elasticity = -0.172 ("Elasticity_Middle", in code.txt) reported in "NZIER estimates for the new dataset.docx".

/Wilbur

On Tue, 9 Feb 2021 at 13:37, Fen Zhou <Fen.Zhou@mbie.govt.nz> wrote:

Dear Wilbur,

Thanks for your reply.

We reviewed the elasticities in 2018 and did the regressions/calculations in EViews. However, EViews is no longer a program supported by MBIE, and we don't have all the programs file we ran at the time.

We have the regression outputs and the data inputs(see attached), which we hope would help you understand the methodology.

NZIER estimates for the new dataset.docx

- EView code for the initial model from 2009 before the 2018 review

NZIER_Review_Motu_Comments2019.PDF

- Motu's review of our initial model

EViews codes for the generation of 20-24 years old estimates-3Jan.2019.docx

- Modified EView code to test a particular cohort

AnnualupdatedAllInputData13Feb2019.xls

- Inputs to "EViews codes for the generation of 20-24 years old estimates-3Jan.2019.docx"

The equations about Minimum Wage impacts-5Jan2018.docx

- Regression outputs of the modified model

AnnualupdatedAllInputData15Feb2019.xls

- Input to "The equations about Minimum Wage impacts-5Jan2018.docx"

Ngā mihi

Fen Zhou

Senior Research and Data Analyst

Workplace and Workforce, Evidence and Insights, Digital, Data and Insights

Ministry of Business, Innovation & Employment

Fen.Zhou@mbie.govt.nz +64 (0)4 901 8504

15 Stout Street, Wellington 6011



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

From: Wilbur Townsend <wilbur.townsend@gmail.com>
Sent: Thursday, 4 February 2021 1:59 PM
To: Fen Zhou <Fen.Zhou@mbie.govt.nz>
Cc: Rose Ryan <Rose.Ryan@mbie.govt.nz>
Subject: Re: Acknowledgement of your Official Information Act Request (DOIA 2021-1216) [UNCLASSIFIED]

Thanks Fen and Rose.

I was hoping to learn where the elasticities come from -- the code just says they're from Eviews. Do you have any documentation on how those elasticities are derived?

Much appreciated,
Wilbur Townsend

On Thu, 4 Feb 2021 at 13:12, Fen Zhou <Fen.Zhou@mbie.govt.nz> wrote:

Dear Wilbur

Thank you for your email of 21 December 2020, requesting the analytical model used for the minimum wage reviews under the Official Information Act 1982 (the Act).

Please find the response letter and the SAS code for the model attached.

Ngā mihi

Fen Zhou

Senior Research and Data Analyst

Workplace and Workforce, Evidence and Insights, Digital, Data and Insights

Ministry of Business, Innovation & Employment

Fen.Zhou@mbie.govt.nz | +64 (0)4 901 8504

15 Stout Street, Wellington 6011

NZBN 9429000106078



MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT

HĪKINA WHAKATUTUKI

From: Ministerial Services <MinisterialServices@mbie.govt.nz>
Sent: Monday, 21 December 2020 12:23 PM
To: Wilbur Townsend <wilbur.townsend@gmail.com>
Cc: Ministerial Services <MinisterialServices@mbie.govt.nz>
Subject: Acknowledgement of your Official Information Act Request (DOIA 2021-1216) [UNCLASSIFIED]

Ref: 2021-1216

Dear Wilbur,

On behalf of the Ministry of Business, Innovation and Employment I acknowledge your email of 21st December 2020 requesting under the Official Information Act 1982 (the Act), the following:

"MBIE's minimum wage reviews refer to an "analytical model" used to predict the employment effects of minimum wage increases. However I cannot find a comprehensive description of that model in the public domain. I would thus like to request any descriptions, documentation and code for the analytical model used by MBIE to conduct its minimum wage reviews."

Please note that the days from 24 December 2020 to 17 January 2021 (inclusive) are defined as non- working days in the Act and are not counted in the calculation for the response due date. This will affect the time period for responding to your request.

Your request is being processed in accordance with the Act and a response will be sent to you in due course.

Please note, due to ongoing COVID-19 response work, requests are currently being triaged and those relating to Covid-19 processed as a priority. Remaining requests are being assessed as per the Ombudsman's guidance (which can be found here: www.ombudsman.parliament.nz/news/chief-ombudsmans-statement-official-information-response-times-during-covid-19-emergency) and processed accordingly.

If you have any enquiries regarding your request feel free to contact us via email oia@mbie.govt.nz or using the contact details below.

Ngā mihi

India Loveday (She/Her)

Senior Workflow Advisor - Ministerial Services

Engagement, Communications and Ministerial Services, Corporate Governance and Information

Email: India.Loveday@mbie.govt.nz

Ministry of Business, Innovation & Employment

15 Stout Street, Wellington 6011 | P O Box 1473 Wellington 6140



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI



www.govt.nz - your guide to finding and using New Zealand government services

Any opinions expressed in this message are not necessarily those of the Ministry of Business, Innovation and Employment. This message and any files transmitted with it are confidential and solely for the use of the intended recipient. If you are not the intended recipient or the person responsible for delivery to the intended recipient, be advised that you have received this message in error and that any use is strictly prohibited. Please contact the sender and delete the message and any attachment from your computer.

Any opinions expressed in this message are not necessarily those of the Ministry of Business, Innovation and Employment. This message and any files transmitted with it are confidential and solely for the use of the intended recipient. If you are not the intended recipient or the person responsible for delivery to the intended recipient, be advised that you have received this message in error and that any use is strictly prohibited. Please contact the sender and delete the message and any attachment from your computer.

Any opinions expressed in this message are not necessarily those of the Ministry of Business, Innovation and Employment. This message and any files transmitted with it are confidential and solely for the use of the intended recipient. If you are not the intended recipient or the person responsible for delivery to the intended recipient, be advised that you have received this message in error and that any use is strictly prohibited. Please contact the sender and delete the message and any attachment from your computer.
