

## ECONOMIC RESPONSE PACKAGE AND ELIGIBILITY

### Wage Subsidy Scheme

### Leave & Self-Isolation Support

## COVID-19 BUSINESS RELIEF PACKAGES

#### FOR:

- employers that are struggling to retain employees
- sole traders
- self-employed
- existing businesses

#### FOR THOSE WHO:

- need to self-isolate in line with ministry guidelines (register on Healthline)
- can't work because they are sick with COVID-19
- can't work because they are caring for dependents who are required to self-isolate or who are sick with COVID-19.

#### Requirements:

- your business must be registered and operating in NZ
- your employees must be legally working in NZ
- the business must have experienced a (or projected to) minimum 30% decline in revenue over the period of a month when compared with the same month last year, and the decline is related to COVID-19
- your business must have taken active steps to mitigate the impact of COVID-19 (activate continuity plans, seek advice from your bank, Chamber of Commerce, industry association, financial advisors)
- you must make best efforts to retain employees and pay them a minimum of 80% of their normal income for the duration of the subsidy.

#### Requirements:

- the employee was legally working for their employer at the time they decide to self-isolate, and
- they were expected to work for the period of self-isolation.
- The individual self-isolation is not because they left NZ since the travel restrictions on 16 March 2020 and have since returned

#### Includes self-employed?

Yes – those who are legally working in NZ are eligible for the payment if they:

- are usually earning at least the minimum wage when they decide to self-isolate, and
- were expecting to work for the period of self-isolation, and
- cannot draw an income for the period of self-isolation.

This publication is to provide a simple understanding of the recent government relief packages as a result of Covid-19 and is not intended to replace the official publications released.

The information contained on this page is sourced from the New Zealand Government's fact sheets and website information released in response to Covid-19 during the week starting 16<sup>th</sup> March 2020.

Please note that the response packages may have been updated since this publication.

Places to find further information:

- [workandincome.govt.nz](http://workandincome.govt.nz)
- [ird.govt.nz](http://ird.govt.nz)
- [msd.govt.nz](http://msd.govt.nz)
- [business.govt.nz](http://business.govt.nz)
- [mbie.govt.nz](http://mbie.govt.nz)

#### Payments to receive:

- \$585.80 per week for a full-time worker
- \$350.00 per week for a part-time worker

Full-time worker = 20 or more hours p/w

Part-time worker = less than 20 hours p/w

#### Duration:

- Lump sum payment and covers 12 weeks per employee
- Limited to \$150,000 maximum
- Businesses can only get this subsidy once

#### Duration:

- Employee may require self-isolation (or become sick) more than once
- Employer would need to apply every 14 days if employee required further leave
- Available for 8 weeks from 17 March 2020

#### Process:

- Employer or self-employed person completes online form on WINZ website (see below)
- Cash paid to employer and used to fund wages for the 12 week period

#### Process:

- Employer or self-employed person completes online form on WINZ website (see below)
- Cash paid to employer is required to be passed onto employee

#### Other:

- The employer has discussed the application with the named employees, who consent to the information on the application being provided to and used by with MSD and other shared agencies
- The employer will notify if circumstances change that affect their eligibility
- The employer will repay any amount to which they are not entitled

#### Other:

State sector employers (Government agencies, crown entities eg Kāinga Ora, ACC) cannot access the leave support.

The following employers can access the COVID-19 Leave Payment: Councils, Kindergartens, Early Childcare Centres, NGO's, Tertiary Education Institutions (such as - Universities, - Polytechnics/Institutes of Technology – Wānanga).



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We want to help. If you have any questions, please contact us at:

E: [office@pearceaccounting.co.nz](mailto:office@pearceaccounting.co.nz)  
P: 07 347 8090

Simple online application for either the COVID-19 Wage Subsidy or COVID-19 Leave Payment at [www.workandincome.govt.nz/covid19support](http://www.workandincome.govt.nz/covid19support)