

Factsheet

Government Wage & Leave Package

As you will no doubt be aware on Tuesday the Government announced a number of measures to assist businesses and stimulate the economy in response to the COVID-19 virus.

Support has been provided in one of two ways:

- a wage subsidy to assist struggling businesses with paying and retaining their employees
- a leave payment for employees who are self-isolating or sick because of the virus

Wage Subsidy

The wage subsidy is available for employers, contractors, sole traders or the self-employed. There are a number of criteria that need to be met to qualify for the subsidy with the main ones being:

- that the business must have experienced a minimum 30% decline in actual or predicted revenue over the period of a month when compared with the same month last year, and that decline is related to COVID-19, and
- you must make best efforts to retain employees and pay them a minimum of 80% of their normal income for the subsidised period

The subsidy is in the form of a flat rate payment of \$585.80 for people working 20 hours or more per week or \$350.00 for people working less than 20 hours per week. The subsidy is paid as a lump sum and covers 12 weeks per employee.

Leave Payment

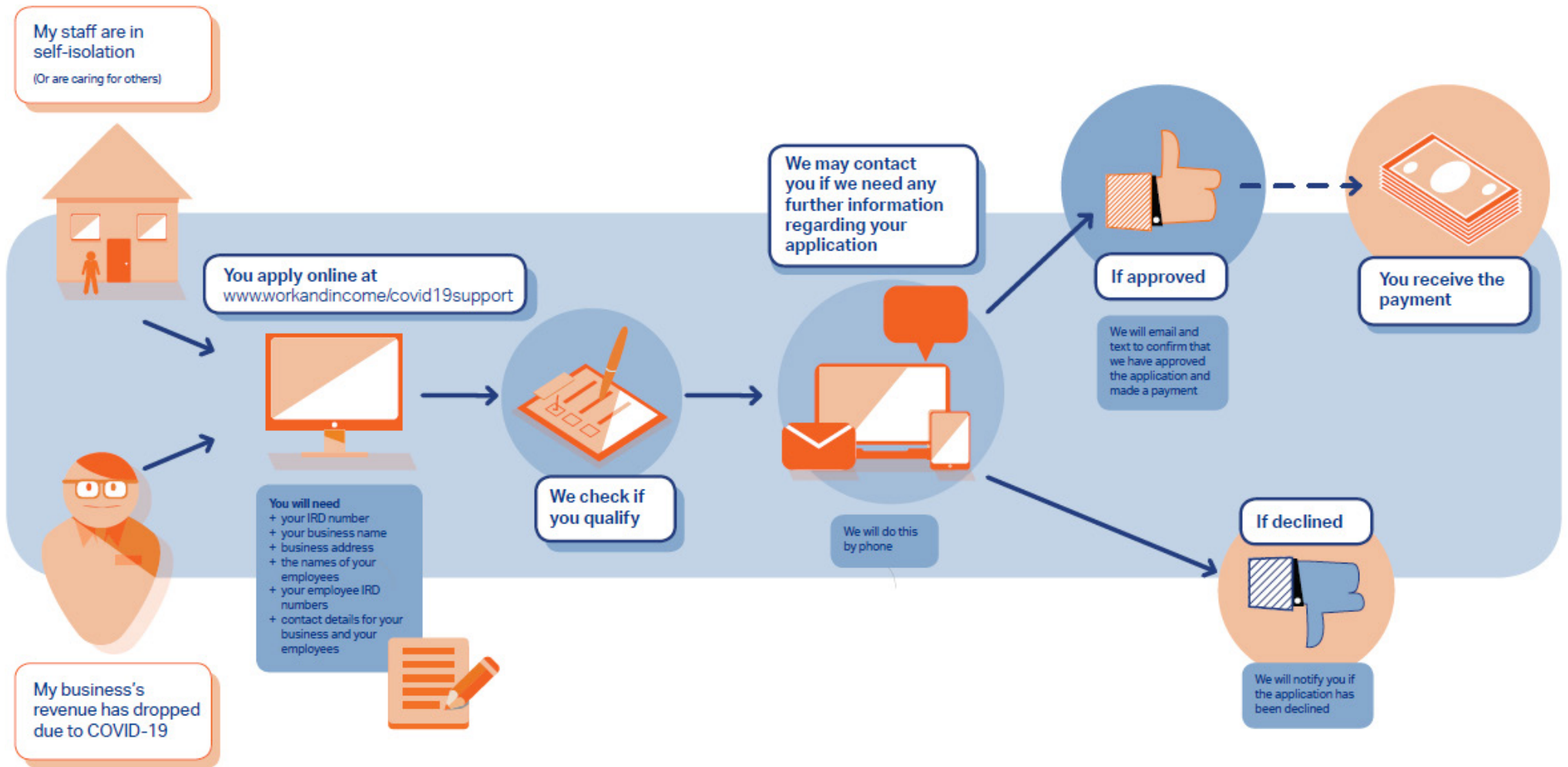
Employers, contractors, sole traders or those self-employed may qualify for the Leave Payment. The Leave Payment will be available to support people financially if they:

- need to self-isolate (as determined by the Ministry of Health guidelines),
- cannot work because they are sick with COVID-19, or
- cannot work because they are caring for dependents who are required to self-isolate or are sick with COVID-19.

The Leave Payment will be available for 8 weeks from 17 March 2020 and paid at the same rate as the wage subsidy. Employers will be able to apply for this more than once. It will be paid to employers who have eligible employees and they must pass the payment onto their employees in full. The application process is outlined on page 2.

Please see our HR Resource for Employers for more HR related information and links to official information.

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