

WGANZ BULLETIN 30 March 2020 - COVID-19

Over the weekend MBIE published more information on the Government's Wage Subsidy scheme - [see](#).

To save you time we've extracted key points and highlighted what's likely to be of particular interest to you.

KEY POINTS

- The wage subsidy scheme is available **while we are in COVID-19 Alert Level 4**.
- Wage rates for employees
 - If you are receiving the COVID-19 Wage Subsidy, you must try your hardest to pay the employee named in your application at least 80% of their usual wages. **If that isn't possible, you need to pay at least the subsidy rate** (ie, full-time or part-time).
 - If your employee's usual wages are less than the subsidy, you must pay them their usual wages. **Any difference should be used for the wages of other affected staff** - the wage subsidy is designed to keep your employees connected to you.
 - **Employers can pass on the subsidy and additional wages through their usual pay cycles, or at other intervals.**
 - Remember that changes to the frequency of salary and wage payments must be discussed with employees as this may have adverse tax implications for them.
- Employers who have already applied under the original wage subsidy scheme
 - If a business has already received the original wage subsidy lump sum, they are required to continue to use that funding to pay employees for the full 12-week duration as agreed to in the initial application.
 - Pending applications made prior to 3pm Friday 27 March 2020 will be assessed against the original criteria of the wage subsidy scheme. **Only applications received from 4pm on 27 March 2020 will have new criteria and obligations applied.**
- Employees who resign after their employer receives the wage subsidy funding
 - If an employee resigns the employer must notify Work and Income and will not be entitled to further subsidies for that employee.
- Transition out of Alert Level 4
 - The Government is currently considering what further changes to the scheme might be appropriate when we move out of Alert Level 4.
- Impact on Work and Income benefits

- Most employees are likely to be better off under the modified wage subsidy scheme than they would be on Work and Income benefits, depending on their personal circumstances.
- The [Check what you might get calculator](#) on the Ministry of Social Development website will show what additional assistance could be available, like accommodation supplement, temporary additional support, and other one-off assistance payments.

This bulletin is brought to you by the Window and Glass Association's free employment helpline 0800 692 384. If you have any questions or would like to discuss the bulletin above, please call Philip or Anthony on the helpline.
