



PEOPLE

BUSINESS

EMPLOYMENT LAW

## WGANZ COVID-19 BULLETIN 17 December 2020

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The Government is putting in place support for affected businesses in case there is a resurgence of COVID-19.

“We want to provide certainty to businesses and workers about what support will be available in the event of a resurgence of COVID-19,” Grant Robertson said.

“This includes a new Resurgence Support Payment is being introduced to help businesses directly affected when there’s a move to Alert Level 2 or above for a week or more. This will particularly help sectors like hospitality and events, who face particular disruptions as Alert Levels change.

“This recognises that some businesses face one-off costs or impacts to cashflow when we step up an Alert Level to follow public health advice. The payment is structured to provide most support to smaller firms who are most likely to face cashflow issues but will be available to all businesses and sole traders.”

The payment would include a core per business rate of \$1500 plus \$400 per employee up to a total of 50 FTEs (\$21,500). Firms that experience a 30% drop in revenue over a 14-day period will be eligible.

“We’ve also committed to the Wage Subsidy Scheme whether there’s a regional or national move to Alert Levels three and four. The Wage Subsidy Scheme has been very effective in keeping people in work so far with more than \$14 billion paid out to protect 1.8 million jobs.

“Cabinet has also asked the Minister of Justice to revisit options on future commercial tenancy negotiation support - this will be discussed by Cabinet early next year.

“We’re also keeping the Leave Support Scheme and adding to it by introducing a new Short-term Absence Payment to also cover eligible workers needing to stay at home while awaiting a COVID-19 test result. This will be a one-off payment of \$350 to employers to pay workers who need to stay home while awaiting a test or while someone who is their dependent is doing so, in accordance with public health advice,” Grant Robertson said.

Other supports retained include the loan products Business Finance Guarantee Scheme, which is being extended to June 2021 with additional availability and flexibility, and Small Business Cashflow Scheme, which has also recently been extended.

**This bulletin is brought to you by AdviceWise People - 0800 692 384. If you have any questions or would like to discuss the bulletin above, please call Philip or Anthony.**

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