

Attachment 2: Government Wage Subsidy to support businesses who have been impacted by COVID-19

1. The Government introduced the Wage Subsidy to support businesses who have been impacted by COVID-19. The Wage Subsidy information sheet dated 24 March 2020 issued by Ministry of Social Development (MSD) is included as an attachment.
2. Details of the Wage Subsidy are outlined in the MSD link below:
<https://www.employment.govt.nz/leave-and-holidays/other-types-of-leave/coronavirus-workplace/wage-subsidy/#about>
3. The Wage Subsidy is available to support employers impacted by COVID-19, and face laying off staff or reducing their hours.
4. Council has lost significant revenue during April 2020 as a result of activities remaining closed due to 'lockdown' and subsequent effect on air travel and recession.
5. Wage Subsidy 'Qualification Criteria' as outlined by MSD:
 - "your business must be registered and operating in New Zealand
 - your employees must be legally working in New Zealand
 - the business must have experienced a minimum 30% decline in actual or predicted revenue over the period of a month when compared with same month last year, and decline is related to COVID-19
 - your business must have taken active steps to mitigate the impact of COVID-19
 - you must make best efforts to retain employees and pay them a minimum of 80% of their normal income for the subsidised period".
 - As part of this process, eligible staff for the application are required to provide their consent to be included in the application. The application requires the following details of staff included in the application:

Name; date of birth; IRD number and status (full or part time).
6. The Wage Subsidy is paid as a lump sum and covers a period of 12 weeks per employee. This subsidy is for wages only. It is to help business keep staff employed while the disruption continues and to ensure the future viability of the business.
Wage Subsidy is at the rate of:
 - \$585.80 per week (working 20 hours or more) or
 - \$350.00 per week (working less than 20 hours).