



# MSD Canterbury

## Regional Response Team

March 24 2020

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Kia Ora,

I would like to touch base with you as the manager of the Ministry of Social Development's Rapid Response Team which has been stood up in Canterbury to help local employers like you to navigate the on-going Covid\_19 response. I want to assure you that while this is an unprecedented and quickly changing situation and we have a team here ready to help.

We will be sending regular updates to you but if you have any Canterbury employer enquiries regarding the Government Wage subsidy and other assistance please send them through to our new email address, which is now up and running: [RRT\\_Canty@msd.govt.nz](mailto:RRT_Canty@msd.govt.nz)

Please see below for the latest information on the Wage Subsidy and Leave Payments, as well as useful links that you may want to check regularly. You may be experiencing trouble making your wage subsidy and leave payment applications. This is due to high demand. We're processing applications as quickly as we can. **Please keep trying and we will be in touch.**

We are here and ready to help.

Best Regards,

Regan Jackson

Canterbury Labour Market Manager

Ministry of Social Development

# Employer Support

## Wage Subsidy

We have a Wage subsidy and Leave Payment available to support employers affected by COVID-19. It's to support your business if you're impacted by COVID and face laying off staff or reducing their hours because of COVID-19. This applies to all New Zealand employers, contractors, sole traders, self-employed people, registered charities and incorporated societies. You are now able to apply for a wage subsidy for all your staff.

Please note- there has been a change to this over the last few days. **The cap of \$150,000 per business has been removed.** If you have already applied for and been granted the wage subsidy for your employees and MSD has capped the amount paid, you don't need to do anything because we will top up the difference. If you have applied for the wage subsidy for your staff, and claimed only enough to meet the cap, once you have used this subsidy, you can reapply.

### Who can get it:

If you're an employer, contractor, sole trader or self-employed, you may qualify to get the COVID-19 wage subsidy.

To qualify:

- 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 the same month last year, and that 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.



The COVID-19 Wage Subsidy will be paid at a flat rate of:

- \$585.80 for people working 20 hours or more per week
- \$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.

This subsidy is for wages only. It is to help you keep your staff employed while you consider changes that may be needed while the disruption continues, and to ensure the future viability of your business.

Businesses can only get this subsidy **once**.

## Leave Payment

Self-isolation is an important way to slow the spread of COVID-19. The Leave Payment is now available for people who:


- 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 COVID-19 Leave Payment will be available for eight weeks from 17 March 2020. **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.

## Who can get it:

If you're an employer, contractor, sole trader or self-employed, you may qualify to get the COVID-19 Leave Payment.



COVID-19 Leave Payment covers full-time, part-time and casual employees, and contractors who are legally working in New Zealand and who:

- Need to self isolate in line with Ministry of Health Guidelines and have registered as needing to self-isolate with Healthline, cannot work from home and their self-isolation is not because they left NZ since the travel restrictions on 16 March 2020 and have since returned or
- Cannot work because the person has been diagnosed with COVID-19 or
- Cannot work because they are caring for dependents who are required to self-isolate or who are sick with COVID-19

### **How much you can get:**

The COVID-19 leave payment will be paid at a flat rate of:

- \$585.80 to a person working 20 hours or more per week
- \$350.00 to a person working less than 20 hours per week.

Employers receiving the payment for employees who are required to self-isolate can receive it for 14 days. As people may be required to self-isolate more than once, employers will be able to apply for this on an 'as needed' basis. It can be paid for the entire period an employee is sick (or looking after a dependent person who is sick) with COVID-19 but the employer must apply every 14 days.

### **Using paid leave entitlements or COVID-19 Leave Payment when self isolating?**

You and your employee can agree to use any form of paid leave (e.g. annual leave) to cover their period of self-isolation. However, employees aren't required to have used any or all their paid leave entitlements before they can receive this payment.

## **Eligible employers and employees:**

When applying for the Leave Payment the employer will consider whether:

- 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.
- Self-employed people who are legally working in New Zealand are eligible for the payment if they:
  - Are usually earning 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.


## **Some people aren't eligible for the payment, including:**

- Self-employed people not earning at least the minimum wage
- People not legally working in New Zealand

State sector employers cannot receive the payment as it is expected they will pay employees their normal wages through periods of self-isolation. State sector employers include: Government agencies, crown entities eg Kāinga Ora, ACC.

The following employers can access the COVID-19 Leave Payment:

- Councils
- Kindergartens
- Early Childcare Centres
- Non-Government organisations

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- Tertiary Education Institutions, eg:
  - Universities
  - Polytechnics/Institutes of Technology
  - Wananga

## TO APPLY:

Please apply online via [our website](#) if you your staff are in self-isolation (or caring for others), or your business's revenue has dropped due to COVID-19.

You can apply online and you will need your IRD number, your business name, business address, the names of your employees, your employee IRD numbers, the contact details for your business and your employees.

We will then check if you qualify. We may contact you if we need further information regarding your application. We'll do this by phone. If it's approved we'll email and text to confirm that we have approved the application and made a payment. If it is declined, we'll notify you. We're aiming to make payments 5 working days after we have all the information we need from you – but this will depend on the volume of applications received.

If you have any issues, or want any more information, **please again contact our local Rapid Response team on [RRT\\_Canty@msd.govt.nz](mailto:RRT_Canty@msd.govt.nz)**

## Other Updates and Useful Links

We understand that this is an evolving situation and we are doing everything we can to keep you as up to date as possible.

Our service centres are now



Here is the link to all information on how to apply for a wage subsidy, and the most current MSD Factsheet for employeres : [MSD Employers](#).

Here is a link to specifically [Covid 19 information](#), including what is an essential business.

Other useful links:<https://www.workandincome.govt.nz/>

- The MSD website
- [Redundancy Support](#)
- [Workplace Response to Covid 19](#)
- [\\$12 billion to support businesses](#)
- [The Ministry of Health Website](#)
- [The Unite Against Covid 19 Official Government Website](#)