

Back into the Bubble – Government assistance for businesses

Hamish Kynaston, Peter Chemis, Sherridan Cook, Susan Rowe, Mere King, Nicola Cuervo, Alastair Sherriff, Holly Hedley, Shaun Brookes, Lorraine Hercus, Emma von Veh, Jessica Taylor, Louise Robertson

20 August 2021

With only a few hours' notice, New Zealanders have quickly adjusted to lockdown once again and the Government has taken quick steps to make additional financial supports available to businesses and self-employed people. We have summarised the financial supports available below and we would be happy to provide further advice and assistance on any of the schemes or to assist in making any claims.

COVID-19 Wage Subsidy August 2021 Scheme

The Government's COVID-19 Wage Subsidy August 2021 provides for a two-week lump sum payment of \$600 per week for each full-time employee and \$359 per week for each part-time employee. To be eligible businesses must expect a 40% drop in revenue over the period between 17 August and 30 August 2021 as a result of the move to Alert level 4. As was the case last lockdown, businesses should make best efforts to pay the employee's named in the application at least 80% of their usual wages and in any event, the full subsidy rate. The Government has made it clear that if an employee's usual wages are less than the subsidy, businesses must pay the employee their usual wages and any difference should be used for the wages of other affected staff. Applications for the August 2021 edition of wage subsidy are open now, to find out more about eligibility and how to apply see [here](#).

COVID-19 Resurgence Support Payment

The COVID-19 Resurgence Support Payment provides a one-off payment of \$1,500 per business plus \$400 per full time employee (up to 50 employees) with a maximum payment of \$21,500 for any business directly affected by an increase to Alert level 2 or higher for a week or more. Sole traders can receive a payment of up to \$1,900. Businesses must have experienced at least a 30% drop in revenue or capital-raising ability over a 7-day period because of the increase in alert levels to be eligible. Applications for the Resurgence Payment open at 8am on 24 August 2021. To find out more about eligibility and how to apply see [here](#).

COVID-19 Short-Term Absence Payment

The COVID-19 Short-Term Absence Payment helps businesses keep paying employees who are required to stay at home while waiting for a COVID-19 test result, or to care for a dependent child who is awaiting a COVID-19 test result and cannot work from home. This amount will be a one-off sum of \$350 for each eligible full time or part time employee. This payment is available any time, to find out more about eligibility and how to apply see [here](#).

COVID-19 Leave Support Scheme

The COVID-19 Leave Support Scheme helps employers pay employees who have been asked to self-isolate and who cannot work from home. Eligible employers will receive \$585.80 a week for full time workers (working 20 hours or more a week) and \$350 a week for part time workers (working less than 20 hours a week). This payment can also be used to help pay employees who need to stay home and look after a dependent child who is required to self-isolate or individuals with a higher risk of severe symptoms of COVID-19 and who need to self-isolate on medical advice. This payment is available any time, to find out more about eligibility and how to apply see [here](#).

Stay safe!

This article was written by [Sherridan Cook](#) (partner) and [Phina Conroy](#) (solicitor).

CONTACT US

VISIT OUR EMPLOYMENT PAGE

Auckland

188 Quay Street
Auckland 1010

PO Box 1433
Auckland 1140
New Zealand

P: +64 9 358 2555

F: +64 9 358 2055

Wellington

Aon Centre
1 Willis Street
Wellington 6011

PO Box 2694
Wellington 6140
New Zealand

P: +64 4 499 4242

F: +64 4 499 4141

Christchurch

83 Victoria Street
Christchurch 8013

PO Box 322
Christchurch 8140
New Zealand

P: +64 3 379 1747

F: +64 3 379 5659