

New Resurgence Support Payment introduced

Legislation has been introduced to Parliament under urgency following the latest COVID-19 Alert Level movements. The legislation sets up the framework for a new Resurgence Support Payment for businesses that are facing financial difficulty and strain from the resurgence of COVID-19.

The payment scheme is proposed at \$1500 per business, plus \$400 per employee up to a total of 50 FTEs or \$21,500.

A similar Resurgence Wage Subsidy scheme was available in August 2020 when New Zealand last shifted to higher alert levels, but the newest scheme will have some changes.

Eligibility for the new scheme is focused on businesses that have experienced a 30% drop in revenue over a seven-day period. This is less stringent than the previous scheme, which required proof of a 40% drop over 14 days.

A focus is being placed on the ability for businesses to get access to support more quickly in the event that Alert Levels are changed around the country. There are many businesses, especially smaller businesses, that face significant one-off costs or cashflow issues with each Alert Level change and the new scheme aims to assist them in a timely manner to reduce harm.

Other support payments are currently available – see more on the Unite against COVID-19 site: <https://covid19.govt.nz/business-work-and-money/financial-support/financial-support-for-businesses/>

Resources:

Business support under COVID resurgence confirmed

<<https://www.beehive.govt.nz/release/business-support-under-covid-resurgence-confirmed>> 16

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