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Subject: Wage Subsidy Extension
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Good Afternoon

Yesterday the Government announced an extension to the wage subsidy scheme. The Wage Subsidy Extension will be available from 10 June 2020 until 1 September 2020 so employers can keep paying their employees.

Below are some key points;

- You cannot apply for the wage subsidy extension for an employee until their 12 week Wage Subsidy has finished.
- You must have had, or expect to have, a revenue loss of at least 50% for the 30 days before you apply, compared to the closest period last year.
- It will cover 8 weeks per employee from the date you submit your application.
- It will be paid to you as a lump sum at the same weekly rate as the Wage Subsidy.
- You'll need to agree to certain obligations, such as to:
 - pass the subsidy on to your employees
 - retain your employees for the duration of the subsidy
 - do your best to pay your employees at least 80% of their normal pay
 - take active steps to mitigate the impact of COVID-19 on your business.

Key points Clubs need to know:

Unlike the initial 12 week scheme, this time clubs will need to prove an actual loss of revenue for the immediate 30 days prior to the date of application for the additional 8 week package. (Applications open on 10th June).

If you were to apply on 10th June for example, the 50% reduction in revenue is measured by comparing Revenue for the 30 days from 10th May to 9th June 2020 to the same period the year before. (Probably not too hard to prove for most Clubs).

The big difference here from the initial 12 week scheme is that the reduction in Revenue **MUST** be actual and real, whereas initially it was simply “projected” that Revenue was likely to reduce by just 30%.

The threshold is higher and the burden of proof requires accurate paperwork.

The subsidy for the eight week scheme is the same per full-time and part-time employee as the initial scheme i.e. \$585 and \$350 respectively.

More information will be published on the [Work and Income website](#) prior to the applications opening on 10 June. We will keep an eye on developments in this space and let you know when more information comes to hand. We will also update the Clubs New Zealand website here <https://www.clubsnz.org.nz/covid-19-information-for-clubs/wage-subsidy-and-leave-support/>

Kind regards

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