

**Memo to** Clubs New Zealand Member Clubs  
**From** Clubs New Zealand National Office  
**Date** 24 March 2020  
**Subject** Covid-19 Wage Subsidy and Self Isolation Support Update

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## **Wage Subsidy Scheme**

Wage subsidies are available for all employers that are significantly impacted by COVID-19 and are struggling to retain employees as a result.

There is no cap on the number of staff you can apply to support. This is to enable more support for workers in medium and large sized businesses.

**Tools and resources will become available this week to support you in documenting loss of revenue, to help you apply for the Wage Subsidy scheme.**

Wage subsidies will be available for businesses significantly impacted by COVID-19 including: employers that are struggling to retain employees

- sole traders
- self-employed
- existing businesses
- registered charities
- non-government organisations
- incorporated societies
- post settlement governance entities
- new businesses less than a year old.

**For businesses older than 12 months old** wage subsidies will be available for those who can show a 30% decline in revenue, attributable to COVID-19, for any four weeks between January and June 2020 compared to the year before. This includes forecasting future months.

**Businesses that have had a significant increase in revenue over the past year** are eligible, where they can show a 30% decline in revenue, attributable to COVID-19, against a similar time period (ie 30% loss of income when comparing January 2020 to March 2020).

Clubs wishing to claim a subsidy will need to produce comparative monthly figures to show conclusively that Revenue (Sales) have reduced by a minimum of 30% in the months between January 2020 and 9 June 2020. As we understand it the business must compare one month's revenue against the same month the previous year and the revenue in the affected month must be at least 30% less than it was in the month it was compared against (as opposed to the total period). We anticipate that a lot of our Clubs will qualify and will need to use their Accountants to assist them in preparing a claim.

The subsidy is for 12 weeks. It is:

- \$585.80 per week for a full-time employee (20 hrs or more)
- \$350.00 per week for a part-time employee (less than 20 hrs).

The payment will be made as a lump sum. This means employers will receive a payment of \$7,029.60 for a full time employee and \$4,200 for a part time employee.

More information on who qualifies for the wage subsidy, definitions for wage subsidy qualifications, and how to apply, can be found from Work and Income. You may also need a New Zealand Business Number (NZBN) to apply.

### **How to apply**

You will need to complete the [application form](#) available on the Work and Income Website. You will need to provide Work and Income with;

- your IRD number
- your business name
- your business address
- your New Zealand Business Number (NZBN)
- the names of your employees
- your employee IRD numbers
- contact details for your business and your employees.

Work and Income are committed to processing and approving applications as quickly as possible (the aim is 5 working days)

You will need to declare you meet the criteria for payment as part of your application. All payments will be subject to audits and reviews!

More information on who qualifies for the wage subsidy, definitions for wage subsidy qualifications, and how to apply, can be found on the Work and Income website.

[Definitions for wage subsidy qualification – highlighted for clubs](#)

[COVID-19 employer support — Work and Income](#)