



COVID-19 NewsBrief – 18 August 2021

If you woke up to a sense of déjà vu today, rest assured that you are not alone. After last evening's announcement that the Delta variant of COVID-19 is now in our community, the team of 5 million is back on the playing field.

As of 11:59 pm last night the entire country is in a Level 4 lockdown for at least 3 days, with Auckland and the Coromandel being subject to those restrictions for at least 7 days.

The next few days will determine whether there is likely to be an extension to those restrictions or to prove that the strategy of going hard and going early has worked yet again.

Immediately after the PM's announcement the Minister of Finance announced that the Wage Subsidy Scheme is back in effect.

This scheme is available nationally when there's a regional or national move to Alert Levels 3 and 4 for a period of seven days and helps eligible businesses keep paying staff and protecting jobs.

The scheme allows eligible employers anywhere in the country to apply for support if they expect a **loss of 40 per cent** of revenue as a result of the alert level increase announced yesterday evening.

Given that the country apart from Auckland and the Coromandel District will only be subject to a 3-day lockdown at this time, the support package will only apply in Auckland and Coromandel unless the lockdown is extended elsewhere.

Businesses will be eligible for **\$600 per week per full-time equivalent employee**, and **\$359 per week per part-time employee**.

The Wage Subsidy will be paid as a two-week lump sum. Applications open on Friday August 20, with the first payments expected to be available within three days.

A Resurgence Support Payment (RSP) is available if businesses suffer a loss of **30 per cent of revenue** as a result of the alert level increase. The RSP is worth up to **\$1500 plus \$400 per full-time equivalent employee, up to a maximum of 50 full-time employees i.e. up to a total of \$21,500**.

The Leave Support Scheme provides a two-week lump sum payment of either **\$585.80 per week for full-time workers, or \$350 per week for part-time workers**, who must self-isolate and cannot work from home.

A Short-Term Absence Payment provides a one-off (once per 30 days) \$350 payment for workers who must miss work due to a COVID-19 test and cannot work from home.

If appears that these benefits are mutually exclusive; a business cannot get more than one COVID-19 payment for the same employee at the same time.

As more information comes to hand and as events unfold, we will keep you updated. In the meantime, stay home, stay positive and stay safe.

At Ecovis KGA we have a dedicated team to help you through these times and are well placed to assist in exploring what options are available and other measures to help protect your business.