From: Larry Graham
Sent: Monday, 6 April 2020 4:56 PM
Subject: Clubs New Zealand Update - Business Finance Guarantee Scheme
Attachments: Covid-19 Update Business Support.pdf

Good Afternoon

I hope you are all well and keeping out of trouble.

Please find attached a memo regarding Business Support options available via banks and Inland Revenue. We recommend each club talk with your accountant to determine the best support options available.

It is also great to see that relief is being extended to societies in the form of;

- allowing the use of electronic signatures where necessary due to COVID-19 restrictions,
- giving the Registrar of Companies the power to temporarily extend deadlines imposed on companies, incorporated societies, charitable trusts and other entities under legislation, and
- giving temporary relief for entities that are unable to comply with requirements in their constitutions or rules because of COVID-19.

EMPLOYMENT AND WAGE SUBSIDY MATTERS

We are fielding a lot of calls regarding the wage subsidy and other employment matters. We are working through these with individual clubs as best we can, however, some of the frequent enquiries include;

Excess Subsidy Payment Usage Clarification
Work and Income has changed its guidelines around Wage Subsidy payments. They are as follows:

- If you are receiving the COVID-19 Wage Subsidy, you must try your hardest to pay the employee named in your application, at least 80% of their usual wages.
- If that isn't possible, you need to pay at least the subsidy rate (i.e., full-time or part-time).
- If your employee's usual wages are less than the subsidy, you must pay them their usual wages.
- Any difference should be used for the wages of other affected staff - the wage subsidy is designed to keep your employees connected to you.

This amendment now clarifies that the excess amount of a wage subsidy where the employee's 'usual hours' are below the subsidy amount, may be used to 'top up' those employees where the subsidy does not meet the 80% requirement of their 'usual hours'. Please note that where the subsidy ALONE provides for 100% of an employee's 'usual hours' they must be paid 100%. **The 80% rule only applies to those cases where employers need to 'top up' wages beyond the subsidy amount to meet 'usual hours'**.

Public Holidays
We have a couple of public holidays lined up during the lock down period. The Holidays Act has not changed so the public holidays will go ahead regardless of the lock-down. The main difference this time around is that there will be no time and a half and no days in lieu because staff are not required to be at work.

Annual Leave
Annual leave continues to accumulate during the lock down as usual.

Please keep asking questions and getting touch, the National Office Team are 100% operational remotely and here to assist.

Kind Regards

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