

As many of you are aware, the government has recently announced an extension to the Wage Subsidy programme.

Applications for the Wage Subsidy Extension will open on 10 June 2020 however, employees must have completed their original 12-week subsidy period before you may apply for them. The extension program will be available until 1 September 2020.

There are some strict conditions you need to meet before you can apply.

You must have had, or expect to have, a revenue loss of **at least 40%** for the **30 days before** you apply, compared to the closest period last year. **Note** this has changed from 50% on 5 June 2020, as announced by our finance minister, Grant Robertson

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 will 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.

(Reference: <https://www.workandincome.govt.nz/covid-19/wage-subsidy-extension/index.html>)

It remains of utmost importance to apply the same criteria and requirements to the wage subsidy extension as to the original wage subsidy. Please refer to our [previous post](#) to ensure that you correctly apply the subsidy, both from an employment law as well as a payroll system perspective