

Welcome to our latest email newsletter

Included are headlines from yesterday's budget and an update about Shand Thomson at Level 2. Our earlier Covid-19 newsletters – Information for businesses, Update I, II, III and IV are available on our [website](#)

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## Level 2

Our doors will be open to the public from Monday! However we will be operating under level 2 guidelines:

- We will be taking your name and contact details
- Physical distancing of 2m needs to be observed – this means it is possible you may be seated somewhere other than reception, possibly even asked to wait in your vehicle
- You will be asked to use hand sanitiser prior to taking a seat
- Documents and records will be subject to the 72-hour rule unless there is no other alternative. Please provide records early to assist with this
- Our premises will be subject to extensive cleaning each day and between visits

Lastly, please do not come into our building unless you are fully well and have not been in contact with anyone who is unwell.

## Budget Measures

### Extension to Wage Subsidy

The subsidy has been extended for a further eight weeks for some businesses. Applications can be made by businesses that have experienced a 50% reduction (compared to 2019) in turnover in the 30 days immediately prior to applying.

### Covid-19 Response and Recovery Fund

This has been increased considerably to enable a range of economic stimulus initiatives including:

- creating 11,000 environment jobs (including regional environmental projects, biosecurity, weed and pest control, and additional Department of Conservation jobs)
- 8,000 additional public and transitional homes to be built over four years to stimulate construction activity
- funding for trades training – particularly apprentices - to provide opportunities for vocational training

- money for student hardship, adult and community education
- additional funding for the Tourism Sector Recovery Plan, transport - primarily rail and ferry assets, and a top up for the infrastructure investment pool announced earlier
- incentives by way of temporary loans to help businesses continue R & D programmes
- increased spending for health – DHBs, Pharmac, and disability services
- more money to New Zealand Trade and Enterprise to assist exporting firms, and
- a modest sum earmarked for helping small businesses to improve their e-commerce capability

We understand this theoretically leaves \$20m of the self-styled recovery fund uncommitted.

## Our View

Opinion pieces abound and you do not have to look far for support for almost any view you care to take about the fiscal responses to the havoc Covid-19 is wrecking on employment and the economy. The outlook is anything but cheerful and Treasury's predictions are already being termed optimistic in some quarters. Nevertheless, few go so far as to be critical of the decision to provide support and stimulus in times of crisis.

What we do not have at this point is transformational change. Nor any other extremes - increased taxes, austerity, or helicopter money to name a few. Instead, we have a continuation of the themes of support for small business and employment – certainly in the rhetoric and in many of the measures put in place. However, the rubber will hit the road when the wage subsidy ceases and the state of the wider world economy impacts are increasingly felt by our export sector.