

COVID-19 Income Relief Payment Programme

This welfare programme for special assistance is established and approved under section 101 of the Social Security Act 2018 by the Minister for Social Development.

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Programme

1 Title

This programme is the COVID-19 Income Relief Payment Programme.

2 Commencement

This programme comes into effect on 8 June 2020.

3 Purpose

The purpose of this programme is to provide temporary financial assistance for eligible people who have lost their employment because of the impacts of COVID-19.

4 Interpretation

(1) In this programme, unless the context otherwise requires,—

12 continuous weeks means:

(a) periods of 12 continuous weeks or more where MSD is satisfied that any breaks in employment were insignificant; and can include:

- a. periods of time on leave without pay; and
- b. may include jobs across more than one employer

Act means the Social Security Act 2018

applicant means a person who has applied, or on whose behalf an application has been made, for assistance under this programme

COVID-19 means the COVID-19 pandemic for which an Epidemic Notice under the Epidemic Preparedness Act 2006 came into force on 25 March 2020

financially independent in relation to a person, and regardless of whether that person has a spouse or partner, means a person who is—

- (a) in full-time employment; or
- (b) receiving a student allowance; or
- (c) receiving payments under a Government-assisted scheme that MSD considers analogous to a main benefit under the Act; or
- (d) receiving a main benefit under the Act; or
- (e) in a legally recognised relationship

full-time employment means employment of any kind, including self-employment, of 30 hours or more per week

- (a) when averaged over the 12 weeks immediately preceding a qualifying loss of employment; or
- (b) for people who were on leave prior to their qualifying loss of employment, when averaged over the 12 weeks immediately preceding the date they went on leave; or
- (c) according to another calculation if MSD deems it appropriate to ensure it is using an accurate representation of hours worked prior to their qualifying loss of employment

New Zealand superannuation means assistance granted under section 12(1), section 17(2)(a), or section 19 of the New Zealand Superannuation and Retirement Income Act 2001

paid parental leave means paid leave to which a person is entitled to under Part 7A of the Parental Leave and Employment Protection Act 1987

part-time employment means employment of any kind, including self-employment, of 15 hours or more but less than 30 hours per week:

- (a) when averaged over the 12 weeks immediately preceding a qualifying loss of employment; or

- (b) for people who were on leave prior to their qualifying loss of employment, when averaged over the 12 weeks immediately preceding the date they went on leave; or
- (c) according to another calculation if MSD deems it appropriate to ensure it is using an accurate representation of hours worked prior to their qualifying loss of employment

qualifying loss of employment means because of the impacts of COVID-19—

- (a) the person’s employment agreement has been terminated, but does not include where a fixed term agreement has ended when expected; or
- (b) an offer of future work has been withdrawn before acceptance, or terminated before employment commenced, if that employment would not have caused a significant break in employment; or
- (c) MSD is satisfied that the person’s self-employment is no longer viable, and the person has no work now or for at least the next 12 weeks

redundancy payment means a payment of \$30,000 or more (before the deduction of income tax) made in relation to the termination of a person’s employment if—

- (a) either—
 - (i) the main reason for the termination is that the person’s position is or will be superfluous to the employer’s needs, and the person is not a seasonal worker; or
 - (ii) the person’s usual seasonal employment is not made available by the employer mainly because the person’s position, or usual position, is or will be superfluous to the employer’s needs; and
- (b) the payment is not a specified excluded payment, or a retirement payment as defined in the Social Security Regulations 2018

self-employment means self-employment of the person in any business, profession, trade, manufacture, or undertaking, and that is carried on for pecuniary profit

Small Business Cashflow (Loan) Scheme means the scheme of that name administered by Inland Revenue

specified excluded payment has the same meaning as in regulation 182 in the Social Security Regulations 2018

specified period means from and including 1 March 2020 to 30 October 2020

spouse or partner has the same meaning as in the Act, even where that spouse or partner is receiving Student Allowance

spouse or partner's income means income from only wages and salary of the spouse or partner

Student Allowance means an allowance established by regulations made under section 303 (apart from, or with, either or both of sections 306 and 307) of the Education Act 1989

suitable employment, in relation to a person—

- (a) means employment that MSD is satisfied is suitable for the person to undertake; but
- (b) is affected by section 18(1) of the Prostitution Reform Act 2003 (which relates to refusing to work, or to continue to work, as a sex worker)

Veteran's Pension means assistance paid under regulation 42 (2), (3), or (4) of the Veterans' Support Regulations 2014

wage subsidy means any version of the wage subsidy or leave payment schemes designed to support workers, that are established as part of the Government's COVID-19 response

- (2) Other terms defined in Schedule 2 of the Act have the same meanings in this programme.

5 Application of the Social Security Act 2018

- (1) Sections 19, 109 – 114, 186, 197, 204, 205, 217, 219, 292, 293, 298, 301, 303, 304 -308, 325, 337 - 340, 346, 364, 391 – 417, clauses 2 – 11, 12, 15-17 of Schedule 3, clause 1 and 2 of Schedule 6 the Act apply in relation to this programme and to the persons mentioned in subclause (2) as if the special assistance authorised by this programme were a benefit.
- (2) The persons are:
 - (a) any applicant for assistance under this programme:
 - (b) any person granted assistance under this programme:
and
 - (c) the spouse or partner of any person referred to in paragraphs (a) or (b).
- (3) Nothing in subclause (1) limits or affects the application of any other provision of the Act.

6 Eligibility

- (1) MSD may grant an applicant assistance under this programme if MSD is satisfied that:
 - (a) the person has had a qualifying loss of employment during the specified period; and
 - (b) at the point of the qualifying loss of employment the person had been employed for a period of at least 12 continuous weeks in:
 - (i) full-time employment; or
 - (ii) part-time employment; and
 - (c) the person is over the age of 18, or aged 16 or 17 years and was financially independent immediately preceding their qualifying loss of employment; and
 - (d) the person has not been in employment of any kind since their qualifying loss of employment, except if subclause (3) applies; and
 - (e) the person meets the residency criteria in subclause (2).
- (2) For the purposes of subclause (1)(e), a client meets the residency criteria if they—
 - (a) are present in New Zealand when they apply for assistance under this programme; and
 - (b) are a New Zealand Citizen or resident with a residence class visa; and
 - (c) are ordinarily resident in New Zealand; and
 - (d) were ordinarily resident in New Zealand when they had their qualifying loss of employment.
- (3) Despite clause 6(1)(d), MSD can treat an offer of future employment that was withdrawn or terminated before their existing employment ended as a qualifying loss of employment, even if they continued existing employment, if—
 - (a) the offer of future employment was withdrawn or terminated while the person was in existing employment; and
 - (a) at the point their offer was withdrawn or terminated, the person was expecting that existing employment to end; and
 - (b) that existing employment ended when expected; and
 - (c) the person has had no other employment after that employment ended when expected.

- (4) If subclause (3) applies to a person, the end of their existing employment is their date of qualifying loss of employment for this programme.

7 Ineligibility

- (1) A person is not eligible for assistance under this programme if—
- (a) they have received a redundancy payment in respect of their qualifying loss of employment:
 - (b) they have already received payment for the maximum period payable under this programme:
 - (c) they are receiving, a wage subsidy or wages that include a wage subsidy:
 - (d) their spouse or partner's income is \$2,000 per week or more before the deduction of income tax:
 - (e) they are—
 - (i) receiving weekly compensation under the Accident Compensation Act 2001:
 - (ii) receiving a Disablement Pension under Subpart 4 of Part 3 or weekly compensation under Subpart 5 of Part 4 of the Veterans' Support Act 2014:
 - (iii) receiving or have received income protection insurance in respect of their qualifying loss of employment:
 - (iv) self-employed and have applied for and have not been declined or are receiving or have received a loan for their business from the Small Business Cashflow (Loan) Scheme:
 - (v) receiving paid parental leave; or
 - (f) they or their spouse or partner are receiving—
 - (i) a main benefit under the Act:
 - (ii) New Zealand superannuation under section 12(2) of the New Zealand Superannuation and Retirement Income Act at the rate specified in clause 2 of Schedule 1 of that Act:
 - (iii) Veteran's Pension under section 172(2)(b) or 172(2)(c) of the Veterans' Support Act 2014; or
 - (iv) Veteran's Pension under section 164(1) of the Veterans' Support Act 2014.

- (2) An applicant is ineligible for assistance for any week in which they are in any paid employment, whether or not that employment is suitable employment and including if they are on unpaid leave from that employment. This clause is subject to clause 12(2).
- (3) An applicant may be granted assistance under this programme if they are receiving assistance under subclause (1)(f) that would make them otherwise ineligible if they elect to cancel that that assistance from the time they apply for assistance under this programme.

8 Amount and duration of assistance

- (1) The amount of a grant under clause 6(1)(b)(i) is \$490 per week.
- (2) The amount of a grant under clause 6(1)(b)(ii) is \$250 per week.
- (3) Despite subclause (1), if an applicant or their spouse or partner is receiving a Student Allowance, MSD may only grant the rate in clause 8(2).
- (4) Subject to clause 12(3), the maximum number of days of assistance payable under this programme is 84 days.

9 Application process

- (1) Assistance must not be granted to an eligible person until MSD has received—
 - (a) an application form (provided by MSD for the purpose) completed on or on behalf of the person and their spouse or partner (if any) to its satisfaction; and
 - (b) any supporting evidence reasonably required by MSD; and
 - (c) an acknowledgment by the applicant of the expectation that they will seek suitable employment where appropriate.
- (2) The application referred to in subclause (1) does not need to refer to assistance of any particular kind.
- (3) MSD may waive all or part of the requirement to provide information (including information specified on an application form) under subclause (1) if satisfied that MSD—
 - (a) already holds the information concerned; or
 - (b) already holds enough information to determine the matter for which the information concerned is needed.

- (4) MSD must not grant assistance in respect of any application received after 13 November 2020.
- (5) MSD must not grant assistance unless the applicant is eligible on or before 13 November 2020.

10 When assistance starts

- (1) Payments under this programme commence on the later of the date of application or the date of eligibility.

11 Payment of assistance

- (1) Payments under this programme must be paid wholly to the applicant.
- (2) However, if the applicant has a spouse or partner, MSD must apportion between an applicant and the applicant's spouse or partner any payment made under this programme.
- (3) Payments to which subsection (2) applies are payable as follows:
 - (a) 50% must be paid to the applicant; and
 - (b) 50% must be paid to the spouse or partner of the applicant.
- (4) Despite subclause (2), payments must be made wholly to the applicant if the applicant or the applicant's spouse or partner is in receipt of:
 - (a) New Zealand superannuation; or
 - (b) Veteran's Pension; or
 - (c) Student Allowance.
- (5) Despite subclause (1) to (4) MSD may apportion or pay wholly to the applicant if MSD determines it is administratively necessary.

12 When assistance ends

- (1) If it has not ended earlier, eligibility for assistance under this programme ends on a date not later than the date the applicant—
 - (a) dies; or
 - (b) has had a change in circumstances that means they are no longer eligible; or
 - (c) begins employment of any kind, whether or not that employment is suitable employment.

- (2) Despite subclause (1), if a person who has received assistance under this programme begins employment and subsequently that employment ends, payments to the applicant may recommence for the remaining number of days of assistance payable under this programme if—
- (a) the applicant meets other eligibility criteria under this programme; and
 - (b) that employment did not end—
 - (i) because the applicant voluntarily became unemployed without a good and sufficient reason; or
 - (ii) on the grounds of the applicant’s misconduct.
- (3) Despite subclause (1)(b), if a person’s circumstances change in a way that means they meet the eligibility criteria, payments to the applicant may recommence for the remaining number of days of assistance available under this programme.
- (4) If it has not ended earlier, assistance under this programme ends on 4 February 2021.

13 When this programme expires

This Programme expires and is revoked on 11 February 2021.

Minister for Social Development

At Wellington this day of 20

Explanatory Note

This note is not part of the programme, but is intended to indicate its general effect.

This programme, which comes into effect on 8 June 2020 provides financial assistance to applicants who have lost their employment between and including 1 March and 30 October 2020 because of the effects of COVID-19. This assistance will be paid based on individual entitlement to eligible applicants for a maximum period of 12 weeks. This programme expires on 11 February 2021.