

Sick leave: Essential Workers' Leave Scheme

Details of the new sick leave scheme for essential workers have been clarified and the scheme is available from Monday 6 April, for a period of at least 8 weeks.¹

Payments

The Beehive press release confirms essential workers who take leave from work to comply with public health guidance will be supported to ensure they continue to receive income. A number of essential businesses are still operating, but face significant issues. This scheme is for them and allows them to pay those workers who need to take leave due to COVID-19 Public Health guidance at the same rates as the Wage Subsidy Scheme of: \$585.80 per week fulltime and \$350.00 per week for part time workers.

Payments will be four-weekly with the option for essential businesses to re-apply for those same workers after four-weeks, or make further applications for additional workers who are eligible, at any time, while the scheme remains open.

Eligibility

"We are ensuring that essential workers have the ability to take leave, and are not feeling pressured to come to work if they are vulnerable, sick or otherwise unable to work. The scheme will enable them to self-isolate and continue to receive an income in these circumstances" says Minister Iain Lees-Galloway.

COVID-19 Essential Workers Leave Support Scheme is available for essential businesses to pay their employees who:

- can't come into work because Ministry of Health (MoH) guidelines recommend they stay at home, and
- can't work from home.

The scheme focuses on three groups of essential businesses workers:

1. Workers who are self-isolating in accordance with public health guidance because they have contracted the virus or have come into contact with someone who has contracted the virus (or have a dependent they need to care for who is sick or self-isolating);
2. Those deemed at higher risk if they contract COVID-19, in accordance with public health guidance and should self-isolate for the duration of the lockdown (and potentially longer);
3. Those who have household members who are deemed at higher risk if they contract COVID-19, in accordance with public health guidance and, as such, should self-isolate for the duration of the lockdown (and potentially longer) to reduce the risk of transmitting the virus to that household member.

Criteria

Before accessing the Scheme an Essential Business must have discussed with their employee how they can best support them. This could be through using any sick leave or discretionary leave instead of the Support payments.

Much like the Wage Subsidy Scheme there are criteria that must be met.

The business must have experienced a minimum 30% decline in revenue or that decline must be predicted.

Or, and this is the new criteria, alternatively a business must have had its ability to support the employees named in their application negatively impacted by the COVID-19 public health restrictions.

If the public health restrictions have impacted your business' ability to support your staff when they need to

¹ <https://www.beehive.govt.nz/release/essential-workers-leave-scheme-established>

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take leave, such as needing to pay your employees so they can stay home and fund replacement staff, you have been negatively impacted.

So a business that may not have seen a decline in revenue is negatively affected if they are unable to afford to hire someone else at the same time as they pay their vulnerable employee to stay home.

Try your hardest

Employers accessing the support scheme should still try their absolute hardest to pay 80% of the employee's wages as at 5 April 2020, but if that is simply not possible then the minimum leave support must be paid.

Again before this happens an employer must consult. All employment law obligations remain unchanged.

At risk

The Scheme has been estimated by Hon Grant Robertson, Minister for Finance, to cost the Government \$100 million.

The scheme applies to those high-risk workers who are 70 plus, immune-compromised or pre-disposed to contracting COVID-19 or workers who, themselves, live with these at-risk people.

A full list of those people who are currently deemed at most risk by the MoH and eligible can be found on the Ministry of Health [website](#).

Word of Caution

You can't receive both the COVID-19 Wage Subsidy payment and the Leave Support payment for the same employee at the same time. You must choose which is more appropriate.

Finally, if your business ceases to be eligible because the employee has left their employment or is able to work from home then you will need to repay MSD.

Want to know more?

If you have any questions about the Essential Workers' Leave Scheme, please contact our specialist [Employment](#) team